

JPRS 79963

28 January 1982

# Latin America Report

No. 2439

**FBIS** FOREIGN BROADCAST INFORMATION SERVICE

#### NOTE

JPRS publications contain information primarily from foreign newspapers, periodicals and books, but also from news agency transmissions and broadcasts. Materials from foreign-language sources are translated; those from English-language sources are transcribed or reprinted, with the original phrasing and other characteristics retained.

Headlines, editorial reports, and material enclosed in brackets [] are supplied by JPRS. Processing indicators such as [Text] or [Excerpt] in the first line of each item, or following the last line of a brief, indicate how the original information was processed. Where no processing indicator is given, the information was summarized or extracted.

Unfamiliar names rendered phonetically or transliterated are enclosed in parentheses. Words or names preceded by a question mark and enclosed in parentheses were not clear in the original but have been supplied as appropriate in context. Other unattributed parenthetical notes within the body of an item originate with the source. Times within items are as given by source.

The contents of this publication in no way represent the policies, views or attitudes of the U.S. Government.

#### PROCUREMENT OF PUBLICATIONS

JPRS publications may be ordered from the National Technical Information Service, Springfield, Virginia 22161. In ordering, it is recommended that the JPRS number, title, date and author, if applicable, of publication be cited.

Current JPRS publications are announced in Government Reports Announcements issued semi-monthly by the National Technical Information Service, and are listed in the Monthly Catalog of U.S. Government Publications issued by the Superintendent of Documents, U.S. Government Printing Office, Washington, D.C. 20402.

Correspondence pertaining to matters other than procurement may be addressed to Joint Publications Research Service, 1000 North Glebe Road, Arlington, Virginia 22201.

28 January 1982

## LATIN AMERICA REPORT

No. 2439

## CONTENTS

## ENERGY ECONOMICS

## COLOMBIA

|                                                                                          |   |
|------------------------------------------------------------------------------------------|---|
| Price-Tax Structure of Gasoline Discussed<br>(Humberto Diez; EL TIEMPO, 30 Nov 81) ..... | 1 |
| Petroleum Production Increases<br>(EL TIEMPO, 30 Nov 81) .....                           | 3 |
| Electric Plants To Produce Their Own Coal<br>(EL TIEMPO, 26 Nov 81).....                 | 5 |
| Known Coal Reserves Described<br>(EL TIEMPO, 30 Nov 81) .....                            | 7 |

## COSTA RICA

|                                                                                 |   |
|---------------------------------------------------------------------------------|---|
| Oil Exploration Costs Exceed Estimate<br>(LA NACION, 9 Dec 81) .....            | 8 |
| Energy Minister Altmann Opposes Oil Price Freeze<br>(LA NACION, 9 Dec 81) ..... | 9 |

## VENEZUELA

|                                                                                           |    |
|-------------------------------------------------------------------------------------------|----|
| Lagoven Drilled 200 Wells in Orinoco Belt<br>(EL UNIVERSAL, 6 Dec 81) .....               | 11 |
| Lagoven's Investments Estimated at 5.5 Billion Bolivars<br>(EL UNIVERSAL, 6 Dec 81) ..... | 13 |
| Gas Deposits North of Paria To Be Exploited<br>(EL UNIVERSAL, 7 Dec 81) .....             | 15 |

## COUNTRY SECTION

### BRAZIL

|                                                                                               |    |
|-----------------------------------------------------------------------------------------------|----|
| Brazilian Clergymen Criticize Electoral Maneuvers<br>(O ESTADO DE SAO PAULO, 23 Dec 81) ..... | 16 |
| Businessman Explains Nature of His Visit to Cuba<br>(JORNAL DO BRASIL, 15, 16 Jan 82) .....   | 18 |
| Business 'Evaluation', by Ruy Barreto<br>March Visit Possible                                 |    |
| Briefs                                                                                        |    |
| Banker Reviews Economy                                                                        | 19 |
| Assassination Attempt of Amazonas Governor                                                    | 19 |

### CHILE

|                                   |    |
|-----------------------------------|----|
| Grievs                            |    |
| Guerrilla Plan in Chile Escalated | 20 |

### COSTA RICA

|                                                                                       |    |
|---------------------------------------------------------------------------------------|----|
| CEFSA Points Out Country's Major Economic Problems<br>(LA REPUBLICA, 10 Dec 81) ..... | 21 |
| Representatives Oppose Carazo's Tax Proposal<br>(LA NACION, 9 Dec 81) .....           | 22 |
| Coffee Production Cost Higher Than Consumer Prices<br>(LA REPUBLICA, 27 Nov 81) ..... | 24 |
| Briefs                                                                                |    |
| Staples Export Forbidden                                                              | 26 |

### CUBA

|                                                                                                                  |    |
|------------------------------------------------------------------------------------------------------------------|----|
| Valdivia Comments on Haig's Relations With White House, NATO<br>(Elpidio Valdivia; VERDE OLIVO, 12 Nov 81) ..... | 27 |
| AEALC Leader Leon Interviewed by 'BOHEMIA'<br>(Laureano Leon Interview; BOHEMIA, 27 Nov 81) .....                | 31 |
| U.S. 'Aggressiveness' Means Need for More Efficiency<br>(Editorial; BOHEMIA, 19 Nov 81) .....                    | 34 |
| Santiago CEE Official Explains New Controls<br>(Maria Josefa Garcia Interview; BOHEMIA, 27 Nov 81) .....         | 38 |
| Enlisted Men's Regimental Club Described<br>(Pablo Noa; VERDE OLIVO, 12 Nov 81) .....                            | 40 |

|                                                                                                     |    |
|-----------------------------------------------------------------------------------------------------|----|
| Default in Delivery Contracts Noted<br>(Juan Guillermo Martinez; BOHEMIA, 4 Dec 81) .....           | 44 |
| Local, Soviet Military School Graduates Work<br>(VERDE OLIVO, 3 Dec 81) .....                       | 45 |
| Armed Forces' Victories Seen in Cartoons<br>(VERDE OLIVO, 3 Dec 81) .....                           | 51 |
| Economic Term National Wealth Described<br>(Alexis Codina; BOHEMIA, 27 Nov 81) .....                | 54 |
| Need To Comply With Delivery Schedules Noted<br>(Juan Guillermo Martinez; BOHEMIA, 27 Nov 81) ..... | 55 |
| Economic Term Economic Efficiency Explained<br>(Alexis Codina; BOHEMIA, 4 Dec 81) .....             | 56 |
| Pinar del Rio Province Tobacco Crop Reviewed<br>(Magda Martinez; BOHEMIA, 4 Dec 81) .....           | 57 |
| Lower Sugar Prices Cause Hardships in Country<br>(Raul Lazo Gonzalez; BOHEMIA, 4 Dec 81) .....      | 62 |

#### DOMINICAN REPUBLIC

|                                                                                      |    |
|--------------------------------------------------------------------------------------|----|
| Minister Denies Country Base for Invasion<br>(EFE, 12 Jan 82, CANA, 11 Jan 82) ..... | 64 |
| No Irregularity<br>Vigilance Along NW Coast                                          |    |

#### EL SALVADOR

|                                                                                       |    |
|---------------------------------------------------------------------------------------|----|
| ANEP Accuses Sandinists of International Law Violation<br>(EL MUNDO, 27 Nov 81) ..... | 65 |
|---------------------------------------------------------------------------------------|----|

#### GUATEMALA

|                                                                                                                |    |
|----------------------------------------------------------------------------------------------------------------|----|
| FAR Leader Monsanto Interviewed by Chilean Publication<br>(Pablo Monsanto Interview; BOHEMIA, 27 Nov 81) ..... | 67 |
| Briefs<br>Cotton Harvest Paralyzed                                                                             | 72 |

#### HONDURAS

|                                                                               |    |
|-------------------------------------------------------------------------------|----|
| Sugarcane Harvest Delay Brings Exports To Halt<br>(LA PRENSA, 8 Dec 81) ..... | 73 |
|-------------------------------------------------------------------------------|----|

## PRICE-TAX STRUCTURE OF GASOLINE DISCUSSED

Bogota EL TIEMPO in Spanish 30 Nov 81 p 2-F

[Article by Humberto Diez]

[Text] Alvaro Younes, an official of the Bogota section of FENDIPETROLEO [Federation of Petroleum Distributors] stated to EL TIEMPO: "Contrary to the general belief that we automotive gasoline distributors own the hen that lays the golden eggs, we, throughout the country, are on our way to ruin."

Younes pointed out that, although each service station's gross sales of regular gasoline total many millions of pesos a month, the proprietor of the pump perceives only 3 percent as his margin of gross profit.

"Moreover," Younes emphasized, "the public should know that of every peso each one pays for gasoline, 68.8 percent goes for taxes of various kinds."

Younes made these statements just prior to the General Assembly held yesterday to determine the federation's position with respect to the "impasse" that has arisen with regard to its petitions to the government to consider its situation.

## Taxes

Alvaro Younes broke out the figures for EL TIEMPO corresponding to taxes, levies and real profits, as follows:

"When the consumer pays 44 pesos for a gallon of gasoline, he is paying 11 pesos for the real value of the fuel, this being the amount ECOPETROL [Colombian Petroleum Enterprise] charges per gallon at the refinery.

"The rest of the consumer's price is broken down as follows: 12.42 pesos (116 percent) for road tax; 14.37 pesos (134 percent) for transportation and handling levies; 2.85 pesos (6 percent) for sales tax; 0.04 peso for departmental consumption tax. The wholesale company's margin is 0.90 pesos and the retail distributor's is 1.36 pesos at the service station. As an assessment for the tanker fleet between the supply point and the service station, the user (hence, the distributor) pays 0.18 peso per gallon."

## Profits

Younes added that the sum of 1.36 pesos perceived by the retail distributor as his profit on each gallon of gasoline is a gross amount, from which he must deduct his costs for rentals and leases, wages, interest on loans, insurance premiums (obviously high, given their very nature), equipment, uniform allowances, fringe benefit reserves, social security taxes, SENA [National Apprenticeship Service], supplementary family allowances, in addition to levies for industry and trade taxes, water, electricity and telephone services.

Thus, according to the FENDIPETROLEOS official, retail distributors are working at a loss of 0.82 peso per gallon; and in reality, of the 44 pesos the consumer pays per gallon, he is paying 11 pesos for the fuel and 29.64 pesos for taxes and levies. "We have one of the highest tax rates in the world on a prime-necessity item, such as is fuel," said Younes.

To bring out his point more clearly, Younes gave an example: The filling of a large tanker (a "bus") costs approximately 1,000 pesos. Of this sum, 680.80 are for taxes, 40.50 pesos are freight charges, 20.25 pesos are wholesale profit, 30.60 pesos are retail distributor profit, and 247.50 are ECOPETROL's profit.

"We have explained all of this to the government in the talks we have had recently with its representatives, to whom we have made clear that our abstention from the sale of red gasoline is in no way based upon a strike posture or on any intent to exert undue pressure, but simply on an absolute lack of financial liquidity. That is, we do not have sufficient capital to continue buying a costly item that produces for us nothing but losses," said Younes.

Lastly, he said that the taproot of the problem lies in the fact that gasoline is taxed as if it were a luxury item and not as the item of prime necessity it really is. "A luxury vehicle," he said, "pays a 300-percent tax; gasoline pays the same percentage of tax despite the fact that it is a product of absolutely prime necessity."

9399

CSO: 3010/445

## PETROLEUM PRODUCTION INCREASES

Bogota EL TIEMPO in Spanish 30 Nov 81 p 11-F

[Text] The uptrend in the country's oil production that has been under way since last year continued during October of this year with an average daily output of 140,791 barrels, for a total of 4,364,521 barrels during the month, up 149,521 barrels over September.

ECOPETROL [Colombian Petroleum Enterprise], in the El Centro, Condor, Norte and Sur fields, produced 2,112,712 barrels in October, up 81,452 barrels over the immediately preceding month.

The Chevron company, in the Rio Zulia and Castilla fields, produced 282,906 barrels, up 2,015; Hocol, in the Dina, La Canada and Tello fields, 877,517 barrels, down 16,368 from the preceding month.

The Colcitco company, in the Aguas Claras, Payos, Salina and Corazon fields, produced 208,258 barrels, up 8,246.

Intercol, in the Provincia, Bonanza and La Tigra fields, produced 295,624 barrels, a drop of 3,348 barrels; Terra Resources, in the Bordine and Nancy fields, produced 29,047 barrels, 1,198 barrels less than in September. Texaco, in the Cocorna, Palagua, Velasquez, Tisquirama, Caipal, Ortega and Tetuan fields, produced 463,977 barrels, an increase of 21,979 barrels for the month. PETROCOL [Colombian Petroleum, Inc], in the Andalucia Sur field, produced 92,690 barrels, down 17,515.

## Drilling Activity Intensified

The Colombian Association of Petroleum Engineers reports as follows with respect to drilling activity in October:

"Drilling activity during the month of October is represented by 25 wells as follows:

"Exploratory wells: Fifteen exploratory wells were drilled as follows: ECOPETROL 5, PETROCOL 2, Occidental 2, and each of the following companies, 1 well: Intercol, Colcitco, Sunray. Texas, Plus Petrol and Hocol.

## Joint Government and Privately Financed Coal Enterprises

"By assigning coal-bearing areas to the electric power companies," Rodado Noriega said, "an invaluable source of energy capital will become available."

With the elimination of the coal middlemen, the power companies will eliminate the profit margins that today are driving up the price they are having to pay for that fuel, and the greater reliability of the plants that will result will improve the service being rendered to Colombians. Rationing can be expected to disappear around the beginning of 1982, when San Carlos I, with a capacity of 600,000 kilowatts, and Chivor II, with a capacity of 500,000 kilowatts go into operation, together with a number of small projects, all of which will increase installed capacity to 1.5 million kilowatts.

### Buttressing the Power Companies

The minister observed that when they can count on their own coal supplies, the power companies will produce power surpluses so as to sell them on the domestic or international markets. Currently, the companies producing electric energy by means of coal are having to pay very high prices for this fuel.

"The ability of the power companies and energy enterprises to realize profits jointly with private capital, derived from the production and sale of coal, will contribute to the financing of the coal they will acquire at discounted prices," Rodado explained.

Another alternative for fostering the use of coal in the thermoelectric plants of state-owned enterprises could be that of enabling the latter to purchase this fuel at a price equal to bare production cost, under joint venture contracts or leased services contracts, the minister added.

Rodado Noriega said that by fostering the substitution of fuel the country has in abundance for scarce fuels, a region like the Atlantic coast region will be "able to obtain thermally produced electrical energy at reasonable costs."

### A Flexible Financing System

Referring to the attraction of foreign capital for the development of large-scale coal projects, he said that "it would be desirable to adopt a flexible system that would facilitate the obtaining of financing in international capital markets."

Of course, the percentage of reexport of profits would depend on the volume of capital the foreign partner would earn on his total contribution to the development of the project.

To improve the organization and productivity of small mining enterprises, CARBOCOL [Colombian Coal Company, Inc] would institute a cooperativization program, with financial incentives, to provide technical and marketing aid, Minister Rodado said.

9238

CSO: 3010/445

## ELECTRIC PLANTS TO PRODUCE THEIR OWN COAL

Bogota EL TIEMPO in Spanish 26 Nov 81 p 16-A

[Text] The minister of mines and energy, Carlos Rodado Noriega, announced yesterday that, to bring down the operating costs of coal-fired energy generating plants, the government, in assigning coal-bearing areas, will give priority to the electric power companies, enabling them to form their own mining enterprises or joint ones with private capital.

According to Rodado Noriega, this measure has the following advantages for the country:

- 1) It will eliminate the middlemen who are now selling coal to the plants at high prices;
- 2) It will ensure a slower rise in rates charged for electrical energy, especially on the Atlantic coast, where the coal-fired plants are installed;
- 3) Since the electric power companies will have their own coal supplies, operation of the coal-fired plants will be more reliable, making it possible for the Atlantic coastal region to obtain power from the interior of the nation, and for the interior to absorb power surpluses from the Atlantic coast plants.



Carlos Rodado Noriega

Addressing 200 experts from Argentina, Brazil, Colombia, Italy, Peru and Venezuela in Cartagena, the minister said: "Colombia must base its energy growth on the resources it has in abundance, and coal is a mineral in abundant supply throughout the nation's geography. This will provide a stimulus to the substitution of coal wherever possible for hydrocarbons and natural gas."

"Development wells: During October, 10 development wells were drilled as follows: ECOPETROL 4; Intercol 2; and Aquitaine, Hocol, PETROCOL and Colcitco 1 well each.

"Development drilling is as important as exploratory drilling, in that it helps to increase production from old fields already in operation and new ones in proved reserves."

9399

CSO: 3010/445

## KNOWN COAL RESERVES DESCRIBED

Bogota EL TIEMPO in Spanish 30 Nov 81 p 10-F

[Text] INGEOMINAS [Geological and Mining Research Institute] has calculated known coal reserves situated in the country's seven principal basins at 16,522,300,000 tons.

A report by INGEOMINAS on the subject indicates that "Colombia possesses Latin America's largest coal resources, in a wide variety of qualities and distributed throughout the length of the three cordilleras of the Andean System."

The breakdown of these reserves by coal characteristics is as follows:

- Coking coals: 678.5 million tons (4.12 percent);
- Caking coals: 234 million tons (1.4 percent);
- Steam coals: 10,620,700,000 tons (64.3 percent);
- Undefined coals: 4,989,100,000 tons (30.2 percent).

The INGEOMINAS report states that for the most part these coals were formed in a lacustrine environment, with ages ranging from the upper Cretaceous to the Lower and Middle Tertiary.

The state organization's document notes that the best coking coals, with low ash and sulfur contents, suitable for metallurgical uses, is located in the central part of the country (Cundinamarca and Boyaca).

It adds that steam coals are to be found in the rest of the country, in the El Cerrejon, Valle del Cauca, Antioquia, Uraba and Norte de Santander deposits.

9399

CSO: 3010/445

## OIL EXPLORATION COSTS EXCEED ESTIMATE

San Jose LA NACION in Spanish 9 Dec 81 p 8-A

[Text] This country has so far spent more than 80 million colons on oil exploration carried out by the Costa Rican Oil Refinery (RECOPE) in the Talamanca area.

According to the minister of energy and mining, Fernando Altmann Ortiz, the original plan was to spend some 10 to 15 million colons, but this goal was set when the exchange rate was 8.60 colons to the dollar.

Also, he added, the 80 million spent does not include the cost of building a highway to the Cocolos wells strong enough to bear the weight of heavy machinery which Mexico is lending to begin deep exploration in the early part of January.

Altmann said this highway is expensive because of the use of high-quality materials that will stand up under the weight of heavy equipment.

The energy minister considers this an excellent investment by Costa Rica, since the explorations already carried out have led to detection of coal deposits, and because the results of oil exploration are thus far considered satisfactory by Mexican technicians. According to Altmann expectations of finding oil are higher now than originally.

He pointed out that once deep exploratory drilling has begun in the first part of January, a lapse of some 6 to 10 months will be needed to determine accurately whether there is oil in the ground.

He reiterated that Mexican experts believe the "chances are very good, better than usual, so it is possible that there is oil."

In any case, Altmann added, the investment can in no way be considered a loss, because of the data already compiled. If a future energy minister were to try and turn the country's resources over to the multinationals, the data we already have would provide a measure of defense, since they give us a sound basis for negotiating a fair deal.

Also, he went on to say, the gravimetric studies used to find the different densities of subsoil formations are very important. Before these explorations began, there were only 108 such studies for the entire country, whereas today there are more than 5,000.

9839

CSO: 3010/587

## ENERGY MINISTER ALTMANN OPPOSES OIL PRICE FREEZE

San Jose LA NACION in Spanish 9 Dec 81 p 4-A

[Text] Fernando Altmann Ortiz, minister of Energy and Mining, declared himself opposed to the executive branch's policy of freezing fuel prices.

Reporters from LA NACION interviewed the head of the energy ministry concerning the current situation at RECOPE, the Costa Rican Oil Refinery, and the effects of Law 6588, which regulates the refinery's operations. Altmann thinks that an increase in the price of petroleum derivatives ought to be requested immediately.

He recalled that Law 6588, which went into effect last 13 August designates the National Electricity Service (SNE) as the only agency authorized to set new fuel prices.

The law was vetoed by the executive office, but the legislature later overrode the veto, thus freezing for 3 months prices that had been in effect when the law was published.

The executive branch, according to Altmann, out of respect for legislators' wishes, decided to freeze prices as of the moment the law was introduced, that is, as of last 9 July.

The energy minister thinks the government thus lost an opportunity to continue its well-defined policy of changing prices at a gradual rate that would permit RECOPE to maintain a manageable deficit in its financial operations.

## Political Considerations

However, added Altmann, while a request for higher prices could have been submitted as early as 13 November, there are other considerations of a political nature, such as the proximity of the next elections, which have prevented such a step from being taken. "Besides, the political parties whose representatives enacted the price freeze have to assume responsibility for their delegates' actions.

"I don't share that political position, but as a cabinet member I must respect it," emphasized the energy chief.

## Prices

When asked what the new fuel prices should be, Altmann said he could not give a precise answer. While as head of Energy and Mining it is his job to establish general policy guidelines in these sectors, he does not participate directly in administering RECOPE, and thus does not have access to detailed cost analyses.

He stated nonetheless that the largest single factor in the cost of a liter of any petroleum derivatives is the price of crude oil. "This factor is as high as 94.6 percent if the dollar is figured at 20 colons, or 96.7 percent if the dollar is worth 40 colons.

"These percentages show that the price-setting range is extremely inelastic, because of the very small domestic share in the value added to a refined barrel of oil. Financial costs are not included in the aforementioned percentages," added Altmann.

He recalled that when the price-freeze law was written, the dollar was at 17 to 19 colons, while it now sells for over 35 colons.

When asked whether, according to his reasoning, prices should be doubled, Altmann replied that the proper level should be determined by the SNE. "Nevertheless, it is important to emphasize that Article 6 of the relevant law imposes a series of prohibitions on RECOPE which forbid it to grant subsidies or special aid payments, so the prices set by SNE must not be anything under the actual cost, or the latter agency would find itself in violation of the law," warned Altmann.

In closing, the energy minister stated his opinion that the law governing RECOPE was a good one, with the exception of the provision to freeze prices and the prohibition against building interoceanic pipelines.

9839

CSO: 3010/587

## LAGOVEN DRILLED 200 WELLS IN ORINOCO BELT

Caracas EL UNIVERSAL in Spanish 6 Dec 81 p 1-26

[Text] Caracas, 4 Dec (VENPRES)--Lagoven has drilled 200 wells to date in the Orinoco Oil Belt pursuant to the development exploration project in the southern part of Monagas and Anzoategui (DSMA) which was started at the end of 1979, according to information released here today by the president of this enterprise, Guillermo Rodriguez Eraso.

Minutes after inaugurating four Lagoven Technical Work Sessions which are being held today and tomorrow in a capital city hotel, Rodriguez Eraso said, "With these new drilling activities, we have a much better idea than 2 years ago about the real underground conditions."

"In mid-1982, we will complete the drilling program; and this will give us reliable information on which we can base our calculations of the reserves contained in that block of the Belt assigned to Lagoven," he pointed out.

The president of the Venezuelan Petroleum (PDVSA) subsidiary said that other subsidiaries of the main office (Corpoven, Maraven, and Meneven) are doing the same work as Lagoven so that, "By mid-1983, we will have a more exact figure of the Belt's oil holdings."

"At that time we will have the results from each of the subsidiaries in every block assigned for the purposes of division and labor," he told VENPRES.

He said, "The wells drilled by the enterprise are to explore and make determinations of the size of the deposit, after which come the wells for exploitation of the deposit."

Rodriguez noted, "For the DSMA project in the Cerro Negro region we estimate work for 1,000 wells."

The president of Lagoven pointed out, "Programs in the Belt are being carried out fully and on time. At present, we are completing the final phases of planning and the definition of various component elements of the project."

"We have the specifications almost ready, which we hope to be able to submit to the main office and the Ministry of Energy and Mines for the required approvals," he said.

The official emphasized, "We hope to be working on field operations at the beginning of 1983, when we will already have some of the initial projects functioning."

"All the information we are learning from the DSMA project as it progresses will allow us to confirm and reinforce our optimism about the worth of the project, as the results of the final phases of the exploration, quantification, and delineation of the deposits give assurances that this is a good region with great possibilities," he said.

Commenting on the change in methodology at the Amuay refinery, in Falcon State, he reported that 85 percent of the changeover had been completed and said, "The first auxiliary units are being turned over, such as the demineralizer plant and the steam boiler, which are needed for the start-up of the largest installations."

"Within the framework of the change of methodology program, we hope to have all units in operation by September 1982," he said.

8143

CSO: 3010/589

## LAGOVEN'S INVESTMENTS ESTIMATED AT 5.5 BILLION BOLIVARS

Caracas EL UNIVERSAL in Spanish 6 Dec 81 p 1-15

[Text] Lagoven investments for 1981 totaled 5.5 billion bolivars, according to an announcement made by the president of the enterprise, Guillermo Rodriguez Eraso, when he inaugurated the four Lagoven Technical Work Sessions now being held in Caracas.

He added, "This year was highly productive. We have accumulated experience which will serve as the basis for even greater confidence in the capacity of the industry and enterprise to react to operational situations with the required flexibility."

"At the beginning of the year," Rodriguez Eraso pointed out, "this reactive capability was demonstrated when the demand of international markets declined considerably as the result of lesser economic growth and the application of strict energy conservation measures in the consumer countries."

"Nevertheless," he continued, "together with the immediate response which was translated into operational adjustments and the implementation of contingency plans, we can also say with satisfaction that we continue to think optimistically about the future and that the enterprise will continue to experience considerable expansion."

Later he said, "We are continuing to explore the deepest levels of the cretaceous strata in the Maracaibo basin and have detected promising accumulations of oil in the Perija, Zulia district; and the known oil potential of the Urdaneta region in the western sector has been extended toward the southern end of the lake."

"At the other end of the country," the Lagoven president noted, "the results are encouraging. On the one hand, in Monagas, we have confirmed the importance of the Cerro Negro area in the Belt; and, on the other hand, we have just announced the discovery of light condensate in the Rio Caribe-1 well, north of Paria, which adds to the satisfaction given us by verification of the presents of important gas resources in the offshore region between Paria and Margarita."

Rodriguez Eraso next spoke about the return to Pedernales, "A traditional area which had remained inactive for over 15 years and to which we are returning

with great hope, with the use of special equipment consisting of a specially designed drilling barge for operation in calm waters."

"In our large projects, we also registered appreciable progress," he said. The change in the Amuay method of refining is about 85 percent complete. And we can say with great satisfaction that Venezuelan participation in all phases of the project are going to exceed our most optimistic initial estimates."

"In the southern Monagas and Anzoategui development project," the Lagoven president said, "we are already in the final phase of specifications and estimate that by the middle of next year the planning phase will be completed." Rodriguez Eraso emphasized the serious efforts being made to minimize the possible environmental impact of operations in the Orinoco Belt and cited as an example, in addition to the various environmental studies undertaken, the installation and operation of four meteorological stations to obtain the data required for decisions on environmental conservation actions and programs.

As he praised the personnel staffing of Lagoven, the president of the enterprise said, "We are ceasing to be an enterprise of veterans, as the composition of our workforce, from a percentage standpoint, is tipped in the direction of men and women who have not yet completed 5 years of service with us."

8143

CSO: 3010/589

## GAS DEPOSITS NORTH OF PARIA TO BE EXPLOITED

Caracas EL UNIVERSAL in Spanish 7 Dec 81 p 2-11

[Text] The exploitation of the gas deposits discovered by Lagoven north of the Paria Peninsula is entirely feasible. New technological advances are not needed; the conventional technology used by this subsidiary of Venezuelan Petroleum, Inc in its offshore exploration program will suffice.

This determination was made by the "Prefeasibility Study for the Exploitation of Gas North of Paria," a paper presented by Engineer Oscar Romero during the four Technical Work Sessions being held in Lagoven in Caracas.

Romero explained in his paper that, as the result of gas discoveries made by this operating company in our continental shelf north of Paria, specifically the Patao, Mejillones and Dragon deposits, Lagoven had signed an agreement at the end of 1980 with the French petroleum company, ELF-Aquitaine, to conduct a "prefeasibility" study for the exploitation of these deposits. This study was made in the first 6 months of this year under the direct supervision of Lagoven. The objective was to determine the feasibility of commercial exploitation of those gas fields, the optimum methods for producing and processing the gas and transporting it to Anaco, in Anzoategui State; and to estimate the investments and time required for the execution of the project.

According to Oscar Romero, there was one premise to this activity: that in the Patao, Mejillones and Dragon fields there were recoverable reserves of about 11.4 billion cubic feet of gas.

The prefeasibility study describes the kind of platform to use offshore, the method of exploitation, the phase of exploitation, the general architecture of the installations, the timetable for investments and conclusions.

The main platform for the exploitation of gas will be located offshore of the northern part of the Paria Peninsula, according to the report. The gas produced reportedly will not be processed there but rather on shore, which is relatively close. The gas processing plant and buildings for the housing of operations and maintenance personnel probably will be built in Guiria, or in a nearby area. Finally, the terminal for the delivery and subsequent distribution of the gas reportedly will be located in Anaco.

8143

CSO: 3010/589

## BRAZILIAN CLERGYMEN CRITICIZE ELECTORAL MANEUVERS

PY132040 Sao Paulo O ESTADO DE SAO PAULO in Portuguese 23 Dec 81 p 5

[Excerpts] During a press conference held in Porto Alegre yesterday the self-serving actions taken by the government and its electoral reforms were criticized by Msgr Ivo Lorscheiter, president of the National Conference of Brazilian Bishops (CNBB); by Msgr Arthur Kratz, archbishop of the Episcopal Church; by Augusto Kunert, head of the Evangelical Lutheran Church of Brazil; and by Bishop Sadi Machado, head of the Evangelical Church of Brazil.

Msgr Ivo Lorscheiter asserted that the practice of taking self-serving measures, in itself, reveals a "great weakness (of the government); stripping the people, once again, of their right to voice their opinion cannot be accepted. The principle which should always prevail is that the peoples' aspirations should never be defrauded." The president of the CNBB also criticized the attempts to prevent the merger of opposition groups and of the Popular Party (PP) with the Brazilian Democratic Mobilization Party (PMDB), a reaction to the electoral "package". He emphasized that although the church does not particularly question the "political and electoral procedures" it believes that "the citizens should be given the right to chose, within the law, the paths to be taken in order to achieve their goals."

During the press conference held at the Evangelical Lutheran Church of Brazil the four clergymen--members of the National Council of Christian Churches which is being formed--issued a year-end message to the faithful in which they voiced their concern that the government's attempt to perpetuate itself in power through self-serving actions which defraud the peoples' aspirations may generate "an escalation of violence."

Msgr Augusto Kunert, archbishop of the Evangelical Lutheran Church of Brazil asserted that the church issues a message of peace "denouncing situation and at the same time proclaiming the gospel and Christ. The church seeks to be the conscience of the political and economic power by drawing attention to unjust situations or difficulties which the people are facing and which, in fact, can generate a violent reaction."

The members of the National Council of Christian Churches (Janus Apostol, head of the Reformed Church of Brazil, was the only member absent from the meeting because he was unable to leave Sao Paulo) have asserted that they will continue to defend

the gospel's principles even though this may cause friction with the government. Sadi Machado, head of the Evangelical Church stated that "We are not seeking confrontation; it may occur but our main objective is to preach the pastoral letters and their principles. The church does not stir up confrontation but neither does it capitulate its principles."

CSO: 3001/63

## BUSINESSMAN EXPLAINS NATURE OF HIS VISIT TO CUBA

## Business 'Evaluation'

PY180229 Rio de Janeiro JORNAL DO BRASIL in Portuguese 15 Jan 82 p 13

['Note' transmitted by telephone from Havana by Brazilian businessman Ruy Barreto to Cafe Soluvel Brasilia Vice President Sergio Figueiredo on 14 January]

[Text] Ruy Barreto's trip to Cuba is a private one, made with the purpose of conducting a preliminary evaluation of the business opportunities which might be of interest to Brazilian private enterprise, represented by the Brazilian Confederation of Commercial Associations, which Ruy Barreto heads.

The merely exploratory and pioneering nature of Ruy Barreto's personal trip to Cuba required no prior formal consultations with the Brazilian Government. For this reason there were no prior consultations.

Ruy Barreto was received in Cuba in his capacity as a businessman, with the reservation that his visit was of a merely exploratory nature. In Cuba he is faithfully carrying out the program initially scheduled, making contact with the highest local authorities and, in particular, with Cuban foreign trade organizations.

Yesterday's (13 January) long meeting with Fidel Castro, as well as the other meetings previously held with different ministers of state were, in themselves, sufficiently enlightening regarding prospects and potentials and the interest with which Cuban authorities view a renewal of trade between the two countries.

It is the sole responsibility of Ruy Barreto to report on and to offer to persons in authority, after he returns to Brazil, the results of his analysis and evaluation, with the hope that this information may be of some use to Brazilian authorities in establishing their position and making their decisions.

## March Visit Possible

PY181816 Rio de Janeiro JORNAL DO BRASIL in Portuguese 16 Jan 82 p 15

[Excerpt] Mexico City--The Brazilian Business Confederation may send another delegation made up of 40 businessmen to Cuba in March. The invitation was extended by the Cuban Chamber of Commerce which is the institution responsible for Cuban imports. The Cuban Chamber of Commerce also proposed the establishment of a business commission with the Brazilian business confederation. Ruy Barreto has stated that he will submit this proposal to the confederation's board.

## BRIEFS

**BANKER REVIEWS ECONOMY**--Central Bank President Carlos Geraldo Langoni said yesterday that by the end of 1981, Brazil will have contracted a total of \$17.4 billion in foreign loans. He noted, moreover, that with the \$1.22 billion carried over from loans contracted in 1980, Brazil has assured in 1981 \$18.62 billion in foreign resources. Of this total, \$2 billion will be carried over to 1982 to partially cover the need for \$13.6 billion in foreign resources, which will be necessary to adjust the 1982 balance of payments. Subtracting the \$2 billion that will be carried over to 1982, foreign loans available this year amount to \$16.62 billion. This means that Brazil will have \$1 billion more than it needs to balance its foreign account. This being the case, Langoni predicted that Brazilian reserves will be slightly over \$7 billion by the end of the year, with ample possibilities of expanding them by more than \$1 billion in 1982. According to the Central Bank president, the equilibrium achieved in the balance of payments is "the best answer to those who criticized the current economic policy." He noted that despite the present "difficult situation" Brazil has been able to keep the average maturity date of its gross foreign debt--\$61.4 billion--at 10 years. [Excerpt] [Sao Paulo O ESTADO DE SAO PAULO in Portuguese 23 Dec 81 p 25]

**ASSASSINATION ATTEMPT OF AMAZONAS GOVERNOR**--Manaus--Jose Lindoso, governor of Amazonas State, had a narrow escape on the night before last while participating in festivities held at 14 de Janeiro Square. Together with various state secretaries Lindoso was mingling with the crowd exchanging greetings when suddenly a man (who is still at large) started shooting a .38-caliber revolver. Two persons were wounded: Student Rubens Barros Alves, 21 and tradesman Adilton Sena Barreto, 26, who were in the way of the bullets fired by the unknown man and the Governor of Amazonas State. Panic spread among the populace, while Lindoso's bodyguards hurried him into the official car, which left the scene speedily. [Excerpt] [PY181916 Sao Paulo FOLHA DE SAO PAULO in Portuguese 16 Jan 81 p 6]

CSO: 3001/63

## BRIEFS

GUERRILLA PLAN IN CHILE ESCALATED--Mexico City--The Chilean Movement of the Revolutionary Left [MIR] intends to develop guerrilla warfare as a factor of maximum strategic importance within its overall plan against the military dictatorship. The announcement was made by Andres Pascal Allende, secretary general of the MIR, in an extensive interview published in Mexico City in the last issue of PUNTO FINAL INTERNACIONAL MAGAZINE. The leader of the Chilean resistance stressed that the irreversible decision to develop a permanent guerrilla war in all Chilean sectors represents part of a more extensive operational plan. [Havana Domestic Service in Spanish at 1526 GMT on 23 December concludes an identical report with the following paragraph: He also said that the plan will combine the development of the struggle of the masses with the military actions and combat of urban, suburban and rural guerrilla forces.] [Text] [FL231820 Havana Domestic Service in Spanish 1500 GMT 23 Dec 81]

CSO: 3010/637

## CEFSA POINTS OUT COUNTRY'S MAJOR ECONOMIC PROBLEMS

San José LA REPUBLICA in Spanish 10 Dec 81 p 3

[Text] Economic and Financial Advisers, Inc (CEFSA), held their first national economic forum yesterday, at which Dr Fernando Naranjo indicated the five most difficult economic problems Costa Rica must solve. Among them, the weakening of the country's productive apparatus occupies first place.

Dr Naranjo stated that in 1980 the rate of growth in domestic production was barely 1.2 percent.

Another of the country's serious economic problems is failing domestic capital formation, which it is estimated will have shrunk by 30 percent as of 1981. This is expected to have unfavorable repercussions for several years to come.

Dr Naranjo further remarked that the rapid increase in unemployment, which rose to 69,000 in 1981, will have a severe impact on the country from the social point of view.

In addition, he said that the public treasury had deteriorated seriously due to the fact that government's costs grew faster than its revenue, resulting in a deficit of some 3.8 billion colons. The practice has been to finance this deficit through loans by the National Electricity Service, which has had the effect of draining resources from the private sector.

The country is also suffering the effects of an imbalance vis-a-vis the outside world, an imbalance which has been intensified by heavy short-term indebtedness, high costs and inflation, all problems which it is difficult to manage simultaneously, in addition to the previous three problems mentioned by Dr Naranjo.

Participating in this first forum were Dr Luis Liberman, Dr Federico Herrera, Dr Fernando Naranjo, Dr Carlos Manuel Castillo, Dr Eduardo Lizano and Mr Denis Meléndez, who were in charge of program coordination and exhibits.

Dr Eduardo Lizano Fait, the other speaker at the forum, said this country must put its foreign debts, as well as its productive apparatus, in order, and it must convince investors that it offers acceptable economic risks.

9839

CSO: 3010/587

## REPRESENTATIVES OPPOSE CARAZO'S TAX PROPOSAL

San Jose LA NACION in Spanish 9 Dec 81 p 4-A

[Text] Representatives occupying the three most important seats in parliament today reacted against a bill sent to the legislature by the Office of the President to alter the tax on differences in exchange rates received by sellers of traditional exports (coffee, sugar, etc.)

With this initiative, the president of the republic, Rodrigo Carazo, and his minister of the treasury, Emilio Garnier, hope to bring about fundamental changes in the law that raised the price of the dollar in colons from 8.60 to 20.

Hernan Azofeifa Viquez (representative from Heredia), deputy chief of the National Liberation caucus, expressed his discontent that the Office of the President had issued proposals for changes in the Devaluation Law before it had even gone into effect, as it has not yet been published in the official journal.

## Vengefulness

Azofeifa Viquez also gave his opinion that the executive's decision demonstrated "a vengeful attitude against the Legislative Assembly," and an attitude of "deceitfulness toward the country."

He assured reporters that banana growers were ready to accept the newly created tax, while President Carazo was now trying to lower these producers' obligation to only 3 percent. "Just what is the president trying to do?" asked Azofeifa Viquez.

"At a time when Costa Ricans want some assurances of calm, with the Christmas season and new elections both approaching, President Carazo is trying to produce a confrontation between exporters and those benefiting from the tax, namely the neediest segments of the population," declared the representative.

Hubert Rojas Araya (Unity representative from Alajuela) declared on the other hand that where devaluation was concerned, the legislature was first among those seeking rapid approval, whereas the executive branch is the only authority in a hurry to approve tax reform.

Rojas Araya affirmed that meat packers are paying cattle growers for their export drafts at a rate of 23 colons per dollar, and the rate at which coffee export drafts will be paid off has yet to be determined.

Rojas Araya also believes, as does Azofeifa Viquez, that President Carazo is guilty of political maneuvering, "because taxes are an unpleasant business. It's always easy to start a campaign around this issue. Exporters will support the Office of the President, and some politician is always ready to play their tune."

For Luis Arnaldo Pacheco Sanchez (Liberation Representative from San José), who like Rojas Araya voted in favor of devluation, the executive's position is questionable. "It's off the cuff; he counted on things moving slowly, and if he really wants exports to remain unaffected, he should have eliminated the 6 percent tax on f.o.b. value (delivered at Costa Rican ports). Since this tax was established by executive decree, it can be removed by the same means.

"It's significant that in his declarations the president has never once mentioned the fact that exporters' incomes have gone up by 400 percent, although if rising costs are taken into account their income is only up by 60 percent, if that much," declared Pacheco

#### Subterfuge

Meanwhile, Humberto Vargas Carbonell (representative from San Jose), head of the United People Unido caucus, believes that President Carazo's position is based on a subterfuge, "which consists of showing people the trees so they won't see the forest.

"The president mentions what the tax would yield, which in this case is 15 percent of the difference in rates, but he doesn't talk about the fact that the other 85 percent of that difference would go almost entirely toward windfall profits for the export sector."

Vargas Carbonell advocated that the tax be used to dispense some justice to small and medium-sized farming operations; rather than having to bear the burden of the tax, they should benefit from it in the form of low-interest loans and subsidies to pay for needed materials and equipment.

Finally, for Miguel Angel Chavarria Méndez (Liberation representative from Guanacaste), who opposed the approved tax, the executive's position is "tardy but healthy."

Chavarria Mendez stated that his party's position--not shared by a majority of its representatives--was that the tax on the exchange-rate differential should be 10 percent, based on a new official parity value of 20 colons per dollar.

In conclusion, he said he thought the total impact of the proposed tax should be determined in order to insure that its effect on exports is not excessive.

9839

CSO: 3010/587

## COFFEE PRODUCTION COST HIGHER THAN CONSUMER PRICES

San Jose LA REPUBLICA in Spanish 27 Nov 81 p 3

[Text] According to information from the Coffee Bureau, up to the present time 98 percent of the 1980-81 harvest has been sold, and the remaining 2 percent will be placed in December.

For this year's coffee exportation, Costa Rica is receiving about \$270 million in foreign currency, of which approximately \$30 million is being paid in taxes.

Moreover, it was reported that the harvesting of the bean has become difficult because of the storms, since the pickers do not go out for the whole day, with the resulting loss of a certain amount of the beans. For the 1981-82 coffee growing year an approximate production of 2.2 million fanegas of coffee is expected.

## Explanation Requested

Engineer Victor Julio Campos Mora, in commenting on some statements made to LA REPUBLICA by the lawyer Mario Fernandez Urpi, director of the Coffee Bureau, about the manner of sale of coffee for domestic consumption and the costs of production, said that besides the fact that prices for the consumer are being raised disproportionately, they are telling the consumer that he is being "subsidized".

Fernandez Urpi had said that the price of coffee for domestic consumption does not cover even 50 percent of the cost of production. Regarding this, Campos said that he suggests that Fernandez publish a breakdown of the cost of coffee production to demonstrate that the present price does not cover even the cost of production.

Campos called it irresponsible to tell the consumer that he is being subsidized. "This irresponsibility that I have observed in several sectors is a threat to the social peace of the nation and is spreading a smoke screen around what is really happening, which is that many exporters are pocketing disproportionate quantities of colons, which only increase the prices that the consumer will have to pay, thus emphasizing the social gap between rich and poor and leading the middle class into gradual impoverishment," said Campos. Campos added that

the Coffee Bureau had not been capable of breaking the bond of dependency between the small grower and the middleman, so that it does not matter to the small grower what the price of coffee on the market may be, since he will always be poorly paid and will never be able to get out from this vicious cycle.

9545

CSO: 3010/572

## BRIEFS

STAPLES EXPORT FORBIDDEN--The president of Costa Rica, Rodrigo Carazo Odio, has issued a decree forbidding exports of rice, crude and refined white sugar, roasted, ground coffee, wheat flour, unprocessed red and black beans, unprocessed corn, vegetable shortening, salt, and other, similar products. The decree, signed by President Carazo and the minister of the economy, provides that similar treatment be given any other products which the Office of Domestic Trade deems it necessary to restrict in order to maintain adequate domestic supplies. It further provides that the Office of Domestic Trade will set purchase and sale quotas to insure supplies to local stores in selected areas of the country. In the meantime, officers of the civil guard, rural guard, traffic police, and immigration service, as well as customs office price inspectors, are charged with supervising and executing the provisions of the decree. Passes or local cards issued to foreigners residing in border zones to permit them to enter the country in keeping with provisions of the General Foreign Exchange Regulations do not authorize the bearers to acquire the affected products for the purpose of taking them out of the country. The decree stipulates that violators will be punished in accordance with Consumer Protection Law, laws against contraband trade, and the applicable provisions of criminal law. [Text] [San Jose LA REPUBLICA in Spanish 10 Dec 81 p 2] 9839

CSO: 3010/587

## VALDIVIA COMMENTS ON HAIG'S RELATIONS WITH WHITE HOUSE, NATO

Havana VERDE OLIVO in Spanish 12 Nov 81 pp 14-15

[Article by Elpidio Valdivia]

[Text] Christina, a minor commentator on U.S. television's Cable News Network, asked an interviewee in closing:

"What do you think are the possibilities that Haig will quietly retire? I mean, that he will be placed in another job where his image is more protected and he won't keep the White House in a continual state of embarrassment?"

The reply was unexpected:

"Chris, if Secretary Haig retired, it would be the first quiet thing he has done since he arrived at the White House."

This CNN program took place last week, on the evening of 6 November, to be exact, and broadcast from coast to coast in the United States an interview with Daniel Shorr, chief of that television channel's correspondents in Washington.

Looming over the occasion once more was the image of Secretary of State Alexander Haig, who had become on this occasion, at least to date--if we pass over Bush's statements--a sort of lone wolf in demanding military measures against Cuba and Nicaragua, and the publicity surrounding his summons to the White House in an attempt to curb his celebrated disputes with National Security Council chief Richard Allen.

But Haig's rows did not stop, and before the week was out he had another argument with Defense Secretary Caspar Weinberger regarding the NATO military policy, which was denied by the latter.

The aforementioned dialogue between interviewer and newsman on the CNN chain was illustrative of this panorama of recent days.

Let us examine some other parts of the tape of the Shorr interview:

"And now, let's look at some of Alexander Haig's problems, or at least some of the problems President Reagan has with Secretary of State Alexander Haig."

"Chris, I am not really sure whether this is a job for a newsman or for a writer of psychological drama. The Nixon administration had its list of enemies, but it never tried to put its secretary of state at the head of it.

"For example, the secretary of state insinuates publicly that there is a guerrilla war against him within the White House. Then he complains that the public scandal concerning it makes his work difficult.

"President Reagan is trying to negotiate a cessation of hostilities between Haig and his security adviser, Richard Allen, but on the other hand the White House says that that does not mean that Allen is one of the combatants.

"The situation is not improving anything with regard to political questions. Haig says there is a plan to fire a demonstration nuclear weapon to stop an eventual attack by the Russians. Defense Secretary Weinberger says, 'No, there is no such plan!' and the White House says both of them are right. If you ask the White House, 'How can they both be right?' the White House simply says, 'You are right, too.'

"Haig wants to step up military action in El Salvador. The Pentagon is opposed. Mysteriously, the Haig plan is leaked, to help block that plan itself.

"...I am inclined to think that at least three times in the last 8 months President Reagan has heard from his principal advisers the question, 'Do we have to keep Haig?' and probably the president has replied, 'We'll try for a while longer.'"

Commenting on the repeated political binds in which Haig has been caught, the AP said last Sunday that "the first 9 months of Ronald Reagan's administration have not been very easy for the secretary of state, Alexander Haig, as Haig himself has said."

Recalling that last Tuesday he accused a high-ranking White House official of having conspired against him since the beginning of the present Republican administration, the U.S. news agency emphasized that "his assertion surprised official circles in Washington. There is no precedent in which an official of his rank has publicly aired the 'dirty laundry' of the government for which he works, in spite of the fact that such revelations are frequently made in private." At other times, it added, the disagreements are relegated to their own terrain, such as when Vice President Bush was appointed to head the crisis management team--a post Haig wanted--and when he shocked everyone by placing himself at the head of the government after the attempted assassination of Reagan, which provoked his rejection by Weinberger and others of the White House hierarchy.

As for the latest dispute between Haig and the defense secretary, this time concerning NATO policy, the Spanish news agency EFE reported from Belgium that the European allies are "astonished" by the internal dispute in the U.S. government over the possibility of exploding a nuclear bomb to warn the USSR.

A plan cited by Haig--and denied by Weinberger--refers to the possibility of exploding a nuclear device in the hypothetical case "of the USSR's deciding to invade Western Europe" with conventional forces.

Beneath the customary reserve of the Atlantic Alliance representatives, added the EFE cable, the nuclear argument in the United States has caused comments of displeasure at NATO headquarters, particularly from officials of the Federal Republic of Germany, Belgium and Holland.

The Madrid news agency said that a spokesman for that military bloc explained that the weapons to be used in an eventual confrontation would be the same for both sides on the battlefield, a statement which, in practice, also denied Haig's assertion with respect to the use of a nuclear device against Soviet conventional forces.

"These misunderstandings," EFE quoted a representative of one of Europe's North Atlantic countries as saying, "are especially embarrassing because they involve the European countries and distort public opinion."

A short time ago the U.S. magazine, THE WASHINGTON MONTHLY, published an article entitled: "Alexander Haig: Cobbler, Tailor, Soldier and Bureaucrat," in which it gave some background which might help to explain the U.S. secretary of state's controversial behavior.

According to that source, for example, the present U.S. diplomatic chief wrote a thesis 19 years ago in which he severely attacked the excessive attention given by the Executive Branch to the State Department, because it was his understanding that one should use the military option to solve international problems. "He wrote a thesis in 1962," said the magazine, "in which he argued that presidents listened too frequently to the diplomatic point of view of the State Department, ignoring, to their own peril, the fact that the nation is confronting what is essentially a military challenge."

According to one of Haig's classmates, the publication continues, he disagreed with those in his class who thought the Bay of Pigs operation should never have been attempted. "Haig alleged that Kennedy's real mistake was in not launching a large-scale invasion of Cuba."

Describing his political career, the magazine suggests that "what made Haig so powerful, in the opinion of many, was his frightening ability to appear as friend and enemy at the same time, like the popular boy in school who tells you one thing and your girlfriend another, leaving both of you hopeful and insecure. Thus, when he was assistant secretary of state under Henry Kissinger, his great skill was in supporting his boss and undermining him at the same time, because what Kissinger did not know then--he found out later--was that Haig's loyalty only went as far as was convenient for him."

Referring to the frequently mentioned subject of Haig's ambitions, THE WASHINGTON MONTHLY said:

"Haig stated that he resigned his job as NATO commander in protest over the Carter administration's policies, but at the time of the resignation there was no letter of protest to Carter or any press conference to announce those differences..."

The real reason for his resignation was more personal, the article says. Haig wanted to run for president of the United States, an old dream which was frustrated last year by the absence of popular and political support.

Regarding Alexander Haig's personal characteristics and intellectual talents, the publication recalls that he finished 214th among 310 students at West Point in 1947, and then it sketches the opinion of one of Haig's closest fellow-students.

Jonathan Ladd, later chief of the Green Berets, says that "there was nothing special about him, nothing brilliant; he did not have that ray of light that illuminated MacArthur both as a youth and as a general."

Then, trying to explain how an intellectual like Kissinger brought such a dull personality to his team, the magazine says that it was decided because "he needed Haig's belligerent words and tough appearance around the White House."

If Kissinger was the theoretician and politician of the Nixon strategy, the article emphasizes, Haig was its other side, the not-so-bright organizer, but conscientious administrator of the details that Kissinger disdained: intercepting telephone messages and cables from colleagues and newsmen and other tasks of equally minor importance.

Ten months after his controversial appointment to the post of secretary of state, Alexander Haig turns up now and then "with egg on his face" because of his setbacks.

For any observer of the U.S. political scene, the gradual isolation of the four-star general is little less than an open secret.

Adding to previous reports, a recent EFE cable said that "the guerrilla war within the U.S. Government quickened today, Sunday, when one of President Reagan's three closest advisers again publicly contradicted the secretary of state.

This time it was James Baker, White House cabinet chief, who disagreed with Haig's point of view on the policy to be followed with European allies.

The same cable recalled that almost from before the president took office in January, some Reagan advisers considered Haig a stranger to his formula for teamwork.

"One of them," EFE added, "managed to leak to the press a comment about the secretary of state's mental capacity because of an alleged cessation of blood flow to his brain during surgery."

An intellectually mediocre man, a tricky politician whom no one ever wanted to elect even to the simple job of city mayor, a soldier with a shady history who thinks like a caveman, Alexander Haig appears to be on the threshold of the autumn of his public career.

The rest is only a question of days.

8735  
CSO: 3010/553

## AEALC LEADER LEON INTERVIEWED BY 'BOHEMIA'

Havana BOHEMIA in Spanish 27 Nov 81 p 36

[Report on interview with AEALC leader Laureano Leon in Havana, by Pedro Rioseco: "The First Congress of the Association of Latin-American and Caribbean Economists: Important Step Forward"; date not given]

[Text] With the same enthusiasm typical among those of us who know him well, we sat opposite Laureano Leon in the office he received us in, from which one can gaze out on the beauty of our Fraternity Park, ready to hear about the intimate details of the professional event that took him to Caracas at the head of a delegation of Cuban economists.

He offered us details on the Association of Latin-American and Caribbean Economists (AEALC) which was incorporated during that event, its first congress.

"This organization of Latin-American and Caribbean economists began in August 1980 in Mexico," Leon explained, "where a group of individuals from the region set up a provisional executive committee charged with the task of promoting the organization in all countries with the aim of getting it formally incorporated in Venezuela at its first congress, which was held from 6 to 12 November and during which its fundamental objectives and work program were outlined.

"Two chief interests were combined at the congress. First, this was an event of a scientific nature during which 28 positions on international economic relations in the region, the internationalization of capital and the process of industrialization, energy problems and their effect on the economies of our countries, inflation, the agrarian structure and food production were discussed and two special round table discussions that dealt with the World Bank report on development and the report of the advisory committee to the Second Congress of Third World Economists, recently held in Havana, were held.

"The other business of the congress was the approval of the articles of association, the approval of the final statement and the choice of a location for the next congress. The 11 countries participating as full members: Colombia, Costa Rica, Cuba, Guatemala, Honduras, Mexico, Paraguay, Panama, Peru, the Dominican Republic and Venezuela, elected an executive committee chaired by Venezuela with Cuba and Peru as vice chairmen and Mexico as secretary general and permanent headquarters.

Spain participated as a fraternal member and Argentina, Brazil, Puerto Rico and Bolivia as guests. All in all, the conference included 150 economists from 18 countries, not counting the many Venezuelan colleagues who attended."

In response to our question as to his evaluation of the results obtained during this forum, Laureano Leon interrupted us with an expression of his satisfaction.

"One step more, an important step, in the unification of Latin-American economists in the struggle against underdevelopment. Our profession's associations in Latin America are associations with a high percentage of trade-union members, therefore referring to themselves as apolitical. We are an association of Marxist economists who are struggling and making an effort to build a socialist society but who engage in relations with our colleagues of the region to exchange our experiences, our ideas, adopt the positive features they exhibit in their work and also to contribute our achievements.

"The final statement made at the Caracas congress undoubtedly represents a contribution. This contribution will be bigger or smaller depending on to what extent and how soon we Latin-American and Caribbean economists learn to function as agents for the transformation of the real situation we are living in to benefit the great masses of the people."

In connection with the participation of the delegation he headed, Leon said:

"It was most outstanding. All our comrades who gave position papers cut a very good figure. Comrade Elena Diaz with her paper, 'Latin America in the International Context,' as well as Comrade Rolando Silva with his paper, 'The Internationalization of Capital in Latin America in the Process of Industrialization,' and Comrade Rafael Leyva, who presented a paper entitled 'The Agrarian Situation and the Food Problem in Latin America and the Caribbean,' made it possible for the delegation as a whole to participate in a very outstanding way. We must, of course, add to this Comrade Angel Pernas' exposition on the development of the Congress of Third World Economists."

Given the context in which that event developed, in the midst of American threats of attacks on Cuba and Nicaragua, it is most important to be aware of the reaction of the Venezuelan delegates and people.

"In fact," our interviewee said, "we must say that we could sense great solidarity with our country, Nicaragua and the peoples of Central America on the part of the Venezuelan economists, leftist organizations and the people with whom we came into contact. To our satisfaction we could also affirm the fact that relations between our people and the people of Venezuela are being maintained and are on the increase, despite the measures and orientations adopted by the reactionary COPEI [Social Christian Party] government. To give you an idea of this spirit of solidarity, we may say that a declaration was spontaneously circulated at the congress which was signed by all economists present, one in which the attacks on Cuba and Nicaragua were repudiated and imperialist intervention in El Salvador condemned. This declaration has a lot to say about the positions assumed by the economists of the region."

These days, during which "Economist Day" (26 November) is being celebrated, our last question had to do with precisely the ANEC [National Association of Cuban Economists].

"Among the activities we are engaging in during these days when we are celebrating the day Commander Ernesto Guevara was appointed president of the National Bank and which is the one selected as a symbol of the birth of the Marxist economist, the inauguration of Economist House on the corner of 9 and 22 Municipio Playa in our capital, which will function as headquarters of the association, stands out. We shortly hope to have the country's most extensive and complete economics library.

"Next year our basic tasks will be devoted to the celebration of two events, one national, concerning our experiences with the introduction of the Economic Management and Planning System, which will be in with position papers from the rank and file and conclude with a national event in November. The other event will be national in nature, is in response to a recent agreement concluded in Caracas and will in December bring together a representative assembly of economists of the area to discuss "Foreign Investments in Latin America and the Caribbean."

11,466  
CSO: 3010/566

## U.S. 'AGGRESSIVENESS' MEANS NEED FOR MORE EFFICIENCY

Havana BOHEMIA in Spanish 19 Nov 81 pp 4-5

[Editorial: "More Efficient and Economize More Than Ever"]

[Text] We are living through the days of the fascistic U.S. Government's hysterical, noisy, ill-intentioned and cynical campaign directed against Cuba and other sister nations, unmasked by Commander-in-Chief Fidel Castro and condemned and rejected with firmness and irrevocable decision by our glorious, fighting people.

As our party's first secretary specifically and clearly went on record in the concluding speech of the Second Congress of the Committees for the Defense of the Revolution: "The imperialists know that a very grave crisis situation exists in the world and are simply trying to prepare themselves for resolving world problems by means of force and as a police state. As a result of this, it has triggered an arms race."

The current crisis the capitalist and imperialist countries are going through — the most acute of the economic crises this system has known — is having repercussions on the world, the underdeveloped nations and countries which, like Cuba, have developing economies and are forced to acquire technology, raw materials and articles that come from the capitalist sector at constantly rising prices and, on the other hand, sell their raw materials and resources at sharply dropping international market prices.

Faced with the current reality of this situation, we have to adopt measures to respond to economic difficulties, restrictions and a lack of resources which will of necessity affect our economic plans and vigorously support the revolutionary government's great economic missions, among which the 1981-1982 sugar-cane harvest, begun only a few hours ago, is at the very head of the list.

As Fidel explained at the Second Committees for the Defense of the Revolution Congress, the present circumstances force us to "go on making an effort to be more efficient, to go on applying the Economic Management and Planning System, as difficult as conditions may be; they force us to be more efficient and economize more than ever: a drop of oil, a gram of fertilizer, of steel, of cloth, of all the raw materials — we have to use them more efficiently. We have to exert ourselves to make agriculture more efficient or maximally so, to go on with the successes and achievements we are obtaining in cane growing, stock raising, in agriculture

in general and, lastly, faced with conditions of this kind, we have to make a maximal effort, a maximal effort in the services, in education, in medical care, in all activities, to demonstrate how capable our people are of facing up to any situation, no matter how difficult it may be."

Like all our people, our Revolutionary Armed Forces (FAR) are preparing themselves to decisively carry out these party guidelines which, under the present circumstances, constitute an indispensable necessity for the country's economy and the promotion of the revolution.

Independently of our FAR's specific function in the armed defense of the revolution, which neither can nor will ever be weakened, we realize that we can do and contribute a great deal in this important direction.

The reasons behind the economy's limitations and what is wrong with it must be explained, a high level of awareness must be instilled in our personnel, we must direct our interest toward everything that is consumed, saved and contributed when we economize on something, as insignificant as it may seem to us.

Saving means raising efficiency to a maximum in all sectors, following stipulated standards for consumption, economizing on material and financial resources; it means combatting and stopping waste and reducing the cost of raw materials, fuels, lubricants and other goods.

Saving means making optimal use of the working day, meeting the average productivity quota per man and maximally reducing the cost of wages per peso of production cost.

Saving is synonymous with effectiveness; it means efficiently utilizing those goods available to us and designing specific measures in all the big units, regular units and small units, enterprises and other FAR institutions, which will enable them to obtain better results and at minimal expense in each administration, whether it be military, in the production sector, scientific or technical, cultural or other.

Saving is the demonstration of a heightened awareness and discipline in the daily performance of planned activities; it means exercising rigorous and strict control over available goods, resources and raw materials; it means knowing the cost of the items we use; it means performing technical maintenance operations on all facilities at our disposal at the times that have been set for them; it means exploiting techniques in accordance with standards specified for each instance; it means making quality repairs.

Saving means the recovery of goods that may constitute sources of raw materials; it means efficiently accomplishing the tasks inherent in defense, production and the services; it means developing and authorizing creative initiative in the organization and development of efficient organization and invention; it means adopting measures to improve supply through an increase in farm and livestock production and self-consumption of vegetables and other products; it means optimal utilization of available land and, fundamentally, exploitation of "kitchen-dining room" farms.

Saving means making instruction of the troops more effective, eliminating any simplification and violation affecting it; making sufficient and creative use of teaching materials for major and minor study courses, perfecting and improving them; positively influencing the preparation of classes, exercises and target practice, leadership and teachers training of the general staffs and chief executives.

It is up to chiefs and officers, the party organizations and the Union of Young Communists to today more than ever raise the quality of combat and political training and the combat readiness of the units and soldiers to the highest levels.

Under the conditions existing in our country: underdevelopment, shortages of raw materials, under economic blockade for over 20 years and today threatened with new attacks, saving must become a matter of principle for every revolutionary, a concern of each member and civilian worker of the FAR, of each party organization.

The campaign for saving is neither a simple watchword nor a job for one day. It involves a permanent task that occupies every second, every minute, every hour; it is a campaign we must wage and win with the same persistency and firmness with which we today defend our homeland and socialism.

We must sharpen our critical spirit against waste, the inappropriate use and exploitation of goods and facilities and combat manifestations of laziness which on occasion crop up in the course of daily business. We must develop an attitude of tackling any difficulty, of looking for more appropriate solutions to each problem in question.

The Socialist Competition Program is called on to play an important role in this effort. It must provide incentives for those who excel in their work, those who at this time when they are called on to make an effort respond with the same determination with which they are ready to fight and vanquish the enemy.

At this time when we are called on to make a supreme effort and to be more efficient and economize more than ever before, we say to our commander-in-chief that we are ready, as always, for any sacrifice of any kind and we repeat with him: "The imperialists are fooling themselves if they think that our people will weaken in their determination. If we have to make the sacrifices we made during the first years of the revolution, we will do so again and make even greater ones! If we have to make the sacrifices we made during our war of liberation, we will do so again and make even greater ones! If we have to make the sacrifices our Mambis [rebels] made, we will do so again and make even greater ones!"

At this historic time our country is going through, when our red, victorious banners of combat and struggle are raised and wave on high, with a vigilant eye and ready to meet any contingency the enemy has in store for us, we, the members of the FAR, say to our chief and founder of our FAR, which have now completed the first quarter of a century since their founding:

/Faithful to the fine traditions of our people and our principles as we were in the days of the Sierra, of Giron, of the fight against bandits all these years, we will inexorably live with the revolution or die to the last man or woman fighting alongside it./ [in boldface]

11,466

CSO: 3010/566

## SANTIAGO CEE OFFICIAL EXPLAINS NEW CONTROLS

Havana BOHEMIA in Spanish 27 Nov 81 pp 32-33

[Report of interview with Maria Josefa Garcia, subdelegate of the State Committee for Statistics (CEE), on the new statistical control model for the production of spare parts to be introduced as of November, by Raul Lazo; place and date not given]

[Text] Along with other mechanisms for handling monetary and commercial relations, statistical control and analysis should become a decisive incentive element in the production of spare parts, a field that is more and more gaining importance in enterprise activity.

As of November, we will begin to collect a whole series of data necessary for the statistical control and analysis of the production of spare parts by means of a model created for that purpose.

Taking advantage of this reporter's stay in the province of Santiago de Cuba, we interviewed Comrade Maria Garcia, provincial subdelegate of the CEE, who, in reply to this reporter's question about the first steps taken for the statistical control of spare parts, told us that at the request of the party they and the State Committee for Material and Technical Supply (CEATM) are already working on the drawing up of a proposal for the implementation of a system of information and evaluation that will enable them to know exactly what the volume and value of the production of spare parts in Santiago de Cuba are.

Maria Josefa Garcia went on to say that this initiative of the province with regard to control of spare part production served to get the CEE to have already completed a few exploratory studies on this mission when it received word from the central statistical agency to begin to collect data on the production of spare parts in the province by means of a model, starting in November.

Accompanying this message from the central agency, the Provincial Statistical Delegation received a list of 41 Santiago enterprises in which the production of spare parts is of some importance, but, as the CEE subdelegate pointed out, this list will now have to be adjusted to the needs of the province and also to the municipalities in order to suit it to their requirements as well at the same time it provides national information.

All the sugar enterprises and some cane enterprises, the automation, construction and assembly workshops, the construction materials, dairy production and oil refining and distribution enterprises, the shoe and textile enterprises are, among many others, those that will have to begin to give information on the production of spare parts.

The chief indicators to be reported on will have to do with all cast steel and iron parts, industrial valve parts and accessories, cast and machined brass parts, woodworking parts and components, parts and accessories for the sugar and food industries and light industry and so on in this way until a total of approximately 100 indicators is attained.

We find one example of Santiago workers' concern for increasing production of spare parts in the recently concluded Metallurgy Congress, during which a proposal was made for enterprises to work closely with the province's Association of Inventors and Efficient Organizers to jointly and in coordinated fashion adopt different measures to promote this important task.

As the interview was coming to an end, the subdelegate of the Santiago de Cuba Statistics Committee, Maria Josefa Garcia, concluded saying that the Santiago statisticians would make every effort that may be necessary to see to it that this new service is of high quality in which the information is combined with an in-depth statistical analysis that will enable us to detect problems and pursue the goal of boosting the production of spare parts.

11,466  
CSO: 3010/566

## ENLISTED MEN'S REGIMENTAL CLUB DESCRIBED

Havana VERDE OLIVO in Spanish 12 Nov 81 pp 12-13

[Article by Pablo Noa]

[Text] "This is radio station Juventud Combatiente from the Enlisted Men's Regimental Club..."

Following these words of introduction, reveille sounded over more than 50 speakers installed in every corner of the unit. Not only did this signal the start of the station's daily programming, but it also awoke the entire unit to begin a new day of activities.

This is a daily occurrence, which began with the dedication on 18 August of the modern infantry regimental club.

Since then the station's contribution in all areas has been remarkable, from providing recreation for the personnel to furthering relevant political activities and encouraging, as never before, the cultural activities of the masses and development of the troops' artistic talents.

"Improved activities which are better able to hold the comrades' attention can now be carried out," said Pvt Juan Delgado Morales. "Also," he continued, "it has made possible a suitable framework in which we can express our ideas and our concerns.

"The best example of this is the radio station itself. Pvt Jose Manuel Lluvero, Pvt Lazaro Hidalgo, civilian worker Leonor Avila and I got it going almost on the spur of the moment. We drew up the day's program and requested help from the provincial station, RADIO ANGULO, which provided us with records so that we might have musical programs.

Full identification has been achieved between the radio station and the members of the unit. The soldiers eagerly await the programs, dedicated to their interests. Others cite its reports as sources. When these details come out, they show a clear example of the result of the work: that the broadcasts are heard and have a good radio audience.

But that is how it has been with the other installations in this enlisted men's club.

After it opened, the combat history room, the methodology classroom, the library, and reading room, the chess, table games, exhibit and television rooms have had a constant audience.

The various dependencies and locales of the club are taken care of by the unit's enlisted personnel.

The club satisfies many needs of the military units, where the men have a rigorous program of activities which require them to maintain their physical capabilities and mental alertness.

Many members of the regiment come here to spend a few quiet moments of relaxation or, simply, to be among their friends in suitable conditions.

On Mondays, Wednesdays and Fridays from 1620 hours to 1800 hours, meetings are held here for political work with the masses.

The club's normal program begins on weekdays at 2130 hours, Saturdays at 1400 hours and Sundays at 0900 hours.

Visiting every department, we obtained information which illustrates the important role of the club.

Second Lt Delio Rojas Maldonado, who heads the installation, told us:

"The club has, in a short time, become an obligatory meeting place for the soldiers. There are many who participate every day in the planned activities.

"Also, special attention has been given to the content of the activities, to awaken the interest of the soldiers. We have worked and are continuing to work toward this goal.

"For example," the officer added, "in the Combat History Room, there is an exhibit, with photographs and other items, summarizing the creation and development of the unit. The methodology classroom is where the chief tasks of the regiment's ideological work are carried out. There the leaders and teachers are trained for political work.

"In the library," Lieutenant Rojas continued, "we have achieved a balanced selection of literary works. We have between 8,000 and 9,000 books, among which are military works, science fiction and adventure stories, as well as scientific, technical and political works.

"In the art appreciation center, we have set up a workshop for plastic arts. The men with a talent for this activity go there to create works in various media. Recently the amateur artists participated in a contest which was part of the rally in tribute to Camilo and Che."

Other options offered by the club are film discussions and national television programs, which take place in the television room.

In the large amphitheater one can attend films or plays by cultural groups three times a week.

"That in itself is one of the priority activities--that is, activities with professional and amateur artists," Lieutenant Rojas said, adding:

"A remarkable effort has been made for the club to have its own groups. At present we have three typical and one modern music group and two dance groups. One of the dance groups won an award in the Eastern Army amateur festival. One should emphasize the support given by the culture sector of the Municipal People's Government to all this work. It is demonstrated basically by their sending groups to the activities planned and in the advice they offer our amateurs."

More than 70 comrades take part in the club's cultural groups, that is, there is an acceptable number of soldiers participating in the organized and systematic practice of cultural activities.

Lt Delio Rojas believes the achievements to date are owed first to the support of the command and the political apparatus, and to the constant zeal of the center's board of directors to carry out properly the training and norms established by the FAR [Revolutionary Armed Forces] for this type of installation.

"I would like to add," the club director said, "that more than 50 percent of the personnel are participating at any given moment in the various activities. That is, when the soldiers come to the club, they always find something to do or to entertain themselves.

"In addition, various types of events are held here. At this time, for example, several evaluation assemblies have been held and on other occasions, seminars, meetings and other activities. One gratifying experience was a meeting here between the minister of culture and the directors of the House of Culture."

The location and structure of the club are very fitting. The proper disposal of the areas and locales, as well as the amount of material and equipment, encourages the soldiers to keep coming in.

"To improve and increase our capabilities, we are forming an artists brigade which will go through the units bringing a happy and combative message. This is one of the commitments we made in salute to the Fourth UJC [Union of Young Communists] Congress, the 25th Anniversary of the Embarkation of the Granma and FAR Day. The presentation of two solemn vigils were also immediate tasks."

Finally, Lieutenant Rojas talked about the club's plans, which consist basically of the construction of a sports target range and a large area for outdoor games.

A well-known instrumental musical selection inundates the camp: through the streets, beneath the luxuriant pines, on the central esplanade, the dormitories, the dining hall...then a voice:

"This is radio station Juventud Combatiente from the Enlisted Men's Regimental Club. Today is 1 November 1981, year of the 20th Anniversary of Giron. Following this we will announce the club's evening and afternoon programs..."

Soon many enlisted men begin to arrive, some to finish a painting or drawing, others to seek relaxation in a game of chess or dominoes, to join their hobby group or write a letter to their families--in short, to use their free time in a useful way.

Army General Raul Castro, minister of FAR, had the following to say about these installations:

"This system of rooms, clubs and officers areas offers, according to the experience of the armed forces of the socialist countries, such possibilities for mass ideological work with the troops that it is destined to become the material and technical base of political work in the Revolutionary Armed Forces."

8735

CSO: 3010/553

## DEFAULT IN DELIVERY CONTRACTS NOTED

Havana BOHEMIA in Spanish 4 Dec 81 p 32

[Article by Juan Guillermo Martinez (ATM MAGAZINE No 5): "State Arbitration: Lack of Coordination Between Two CEATM Enterprises"]

[Text] In accordance with what is specified in the control amounts assigned by the CEATM [Stat Committee for Technical and Material Supply], as a buyer, the Carbide and Acetylene Enterprise has filed a complaint against the Central Chemical Products and Rubber Enterprise because of the latter's refusal to sign a contract to supply carbide and calcium.

During the appearance, the defendant alleged that, given the large inventories of the product it had and scheduled imports, the product was not needed in the amount assigned, thus making public the lack of coordination that exists between the CEATM Directorate of Chemical Products and the above-mentioned Central Enterprise, which does not justify the latter's unwillingness to sign the contract in question. The CEATM Directorate of Chemical Products reported that, in view of the date on which the difference of opinion was aired, the presiding arbitrator found in favor of the complaint filed by the Carbide and Acetylene Enterprise, directing that the contract be signed on the basis of the amount specified.

11,466

CSO: 3010/567

## LOCAL, SOVIET MILITARY SCHOOL GRADUATES WORK

Havana VERDE OLIVO in Spanish 3 Dec 81 pp 72-75

[Text] The new officers who have graduated from the military schools in Cuba and the USSR have continued gaining experience through service with the troops and, in many instances, acquiring higher qualifications. Some have even attained scientific degrees as doctoral candidates in military, technical and social sciences, while others are being prepared for that purpose.

From the Main Report to the Second Party Congress.

Our country's Military Training Centers have carried out the honorable mission of preparing politically, technically and scientifically trained military cadres to defend the conquests made by the working class and the socialist fatherland.

Throughout the 22 years reflecting the historic development of the new military concepts stemming from our country's socioeconomic and political changes, the system for training officer cadres has been a leading factor in the progress achieved by the Revolutionary Armed Forces.

The Military Training Centers have played a main role in the training and improvement of officers, which has made it possible to accumulate constructive experience in their development and perfection.

It is unquestionable that there has been no heroic deed which has lacked the intervention and fulfillment of duty of the officers and specialists trained in these centers. Playa Giron, the October crisis, the battle against bandits and the internationalist missions have been propitious situations enabling the graduates of the CEM to demonstrate their military technical knowledge and high level of ideological development.

When the threats from the Yankee enemy bent on destroying the young Cuban revolution became more intense and dangerous, various Military Training Centers came into existence as another response contributing to the heightening of the country's defense potential.

From the courses for unit chiefs, including the basic courses for officer and cadet training, to the present courses for the Territorial Troop Militias, these schools have been the forgers of military cadres.

## Stringent Selection

The principles of selection for admission to the Military Training Centers are stringent. The enrollments are met with military personnel, graduates of the Camilo Cienfuegos Military Vocational Schools, young students, and sergeants and privates who have high-level political and moral qualities, and are not over 21 years of age, have the pertinent levels of schooling required and are physically fit for active military service in the FAR.

The main source of the cadre training system is the Camilo Cienfuegos Military Vocational Schools, where the students continue their studies in accordance with the plans of the Ministry of Education, while receiving the first elements of military life.

A reflection of the development attained by this system was the promulgation of Decree 14 of the Council of Ministers Executive Committee (1977), whereby recognition was given to the superior standing of the military institutions.

This step has had repercussions on the improved standing of the instructors, as well as on the scientific nature of the basic study material, and has been an incentive for continuing a sustained effort to make constantly greater improvements in the instructional, methodological and scientific work.

At the present time, one can observe the rise of modern buildings next to the old facilities of certain CEM, which have laboratories, offices and special classrooms for physics, chemistry, materials resistance, electrotechnology, radiotechnology and other essential subjects in the study plans of any higher-level specialty.

## Application of the Principles of Education in the CEM

Also formulated in the guidelines that the Communist Party of Cuba has devised for the Revolutionary Armed Forces are those relating to the training of command cadres and technicians for our military institution. The party deems it necessary for the officer corps of the FAR (and all its personnel) to master Marxist-Leninist theory and to be provided with a high degree of technical-military training, so as to successfully respond to the tasks of military construction and to the needs of contemporary combat.

In that respect, the education in our CEM is governed by sound principles. One of the fundamental principles is the scientific and partisan nature of the instruction. In other words, the students are trained according to the scientific concept of command, and with the deep conviction of the justice of their cause, as well as with an individual responsibility for the defense of the fatherland and of socialism.

In order to achieve this, the chiefs, instructors and cadres pay careful attention to having the students fully understand the ideological significance of all the subjects which they study.

Another principle is to teach the future officers all that is necessary for war. They will be required to master modern weaponry, as well as to know the new procedures and methods for leading combat.

Consequently, in the training process, very great consideration is given to having their activities approach the conditions of real combat, provided they so permit. This, combined with the principle of the students' active, conscious participation, raises the level of assimilation and understanding.

In the teaching-learning process, our military training centers implement with noteworthy zeal the principle of objectivity in the instruction which, as it has been defined, consists of instilling in the students "the concrete knowledge of combat technology and weaponry, and also enabling them to acquire a correct impression of contemporary combat, and to discover its laws and regulations, the role of combative mastery and the great combat potential of modern weapons."

All this is guaranteed with the suitable scientific standing of the instructors and with a modern basic study material which meets these requirements.

No less important are other principles of instruction, such as systematization and consistency; the soundness in the mastery of knowledge, habits, skills and collectivism; and the individual training as well.

All of this corroborates the depth in which the CEM carry out their main activity.

The fundamental role in the teaching-learning process is incumbent on the class, a vital activity in which the entire previously organized and planned educational system is implemented. The class in the CEM provides for theoretical instruction through lectures given on a high educational and methodological level, as well as with practical activities carried out in the laboratories, shops and firing ranges, and in the field.

Similarly, independent work habits are developed in the student by means of course projects, projects for certificates, etc.

The command courses conclude with tasks (work for certificates) and/or state examinations, an area to which great attention is devoted, particularly during the students' final phase of stay in the classrooms.

#### Constant Improvement of the Teaching Cadres

The work done by those who devote their energy to the training of military cadres may be described as vitally important.

By their altruistic work they have made it possible for thousands of officers who have graduated from these schools to hold their positions at present in the front line of defense of the socialist fatherland.

Through the process of qualifying the teaching personnel in different ways, the instructors constantly keep improving, either through postgraduate courses, or with scientific work, courses for chiefs and officers or the different types of methodological work, as well as periodic command exercises held with the troops, participation in seminars and lectures, etc.; all of which redounds to the benefit of the teaching-learning process.

It is also significant that some of the teaching staff has attained or is in the process of achieving a scientific degree, something which can be accomplished in various ways in the USSR and other socialist countries, or in Cuba.

The presence of instructors who have scientific degrees enhances the investigative nature of the teaching, and the creative spirit.

The multilateral development of the military training system has made it possible to create new departments and to intensify the scientific aspect of the study plans and programs, in keeping with the needs of the complex technology and requirements of modern combat.

During the course of recent years, the CEM instructors have had the mission of passing on to, and providing their students not only a high military technical level, but also a cultural and ideological one. They have instilled in the youthful students a love for the fatherland and for socialism. Socialist patriotism and proletarian internationalism occupy an important place in the training of the younger generations, based upon the principles of Marxism-Leninism.

It is for this reason that, upon graduating, the young officers have pledged their revolutionary honor to the people, and vowed loyalty to their patriotic and revolutionary traditions, to the working class and to its vanguard: the Communist Party of Cuba.

#### In Art, Culture and Sports

During their stay in the CEM, the students are not limited to acquiring knowledge concerning the most advanced military technical facilities. Provisions are also made for their total training, inasmuch as they participate in artistic, cultural, sports and recreational activities.

There is a promotion of reading, attendance at theaters, movies and museum, and the formation of interest clubs and amateur movements, which culminate in competitive festivals on various levels.

The education, art and culture afford them replete opportunities for becoming prepared and for performing their missions. They evoke and foster creativity and an awareness of responsibilities in the individual, and also constitute a great spur to the utilization of free time.

All the CEM have scheduled various sports activities wherein the students participate in interdepartmental competition, and "Sports Day" which is held once a month. The best individual performers who distinguish themselves in these events are chosen, and later prepared to represent their institutions in the Inter-CEM Championships, the FAR National Tournaments and the University Games.

There has also been a successful creation of camping, historical camping, speleology and other activities, using the facilities of the MGR Naval Academy and the Camilo Cienfuegos Military Vocational Schools, with an abundant, valuable experience in this area.

The social activities attended by the students are many, and include lectures, commemorative ceremonies, the marking of historic dates, checkups on socialist emulation, etc.

### Socialist Emulation

Emulation has played a vitally important role in the CEM's leading activities. Its development is essentially in the interests of the instructional process. It affords the earning of good grades, and an enhancement of the quality of the training, and the politico-cultural-sports activities.

Another task that these institutions have received with great enthusiasm and interest is the participation by students and officers in military reviews and parades.

The mere fact that over 80 percent of the graduates of these schools are members of the party's ranks or those of the Union of Young Communists speaks for the political quality of those graduates.

### Solidary Aid

Any account of the system for training cadres in our FAR, however brief it might be, would be incomplete if it did not mention the generous aid from the Soviet military specialists.

The sons of Lenin's fatherland, based upon the principles of socialist internationalism, have passed on their valuable experience for the sake of the development of the military education in our country.

The success attained in the system is largely attributable to the systematic, altruistic support from the Soviet brothers.

Twenty years since the creation of the Military Training Centers, those institutions are continuing to prepare cadres for the purpose of supplying the FAR with chiefs and officers capable, now as always, of assuming responsibility for the fatherland's territorial integrity and for the defense of the socialist revolution.

### How and When the CEM Came Into Existence

A brief review of the history of the Military Training Centers in Cuba indicates to us that in 1959, upon the victory of the revolution, the first school for cadets was created in Managua.

A year later, the Militia Chiefs School was established in Matanzas and, after the historic victory of Playa Giron, it started training FAR officers fit to hold leadership positions in large and small units.

On 11 September 1961, The Advanced Artillery School was founded in Fortaleza de la Cabana [Fort Cabana], for the purpose of training officers in this branch on the engineer level. Two years later, it was given the name of the unforgettable Commander Camilo Cienfuegos.

The General Antonio Maceo Inter-Branch School was established in 1963. Its mission was to train tactical command officers for small combat and security units, and replacements for the chiefs engaged in political work.

On 14 July of the same year, 1963, the General Maximo Gomez Basic Superior School began operating. It was created for the purpose of training command cadres on higher levels, thus completing the officer training cycle in our country. In 1976, with the construction of modern facilities, the center became the General Maximo Gomez Academy of the FAR, the pride of our FAR.

The Military Vocational Schools came into being in 1966, and are the main source of the cadre training system attached to the branches and areas of the Armed Forces.

The Military Technical Institute was opened on 2 February 1967. Its mission is to train highly qualified engineers and technicians.

The so-called Mariel Naval Academy had opened in 1916. After the victory of the revolution, this center, provided with new study plans and a superior basic material, continued to train officers for the Revolutionary Navy, while simultaneously raising the level of its instructional cadres.

2909

CSO: 3010/562

ARMED FORCES' VICTORIES SEEN IN CARTOONS

Havana VERDE OLIVO in Spanish 3 Dec 81 pp 76-77

[Text] Captions

1. 26 July Movement, revolution's victory: "Sierra Maestra"
2. Bay of Pigs--victory at Playa Giron: "The one frying here is me! I am no cook!"
3. Escambray mountains "cleaned out" of counterrevolutionaries: "Escambray. This cleaning is with another anti-rat!"
4. Helping out in sugarcane harvest: "To work!"
5. Internationalist aid--victories in Angola, Ethiopia: "Angola. Ethiopia. One for all and all for one!"
6. Helping Territorial Troops Militia: "FAR. MTT. Cuba, how lovely Cuba is; those who defend it love it more!"

# 25 AÑOS de



# VICTORIAS

FOR  
WILSON



2909

CSO: 3070/562

ECONOMIC TERM NATIONAL WEALTH DESCRIBED

Havana BOHEMIA in Spanish 27 Nov 81 p 35

[Article by Alexis Codina]

[Text] It constitutes the sum total of all material goods accumulated by the society throughout the entire history of the country and which is kept at its disposition. It is composed of basic funds, revolving funds (raw materials, materials, fuels, etc.), housing units, schools, hospitals and the personal property of the population (furniture, clothes). It includes natural resources (land, forests, minerals) for the conservation, transformation and development of which labor may have been invested. Natural resources discovered by man but not incorporated into the labor process represent only potential wealth. Precisely one of the ways of increasing national wealth is the exploitation of these resources.

One special form of national wealth and a factor of extraordinary importance for its growth is the spiritual wealth of the society, constituted by its scientific knowledge, experience with production, the competence of its workers and the cultural and technical level of the entire population. Marx noted that "the population's level of skill constitutes a condition of social production, therefore, an important accumulation of wealth." On several occasions our commander-in-chief, Comrade Fidel, has noted that our most important natural resource is our people.

The volume of national wealth characterizes the country's economic potential. In capitalist societies national wealth is in the hands of the dominant classes, which use it to reinforce the system of exploitation and for personal enrichment, which is why the concept of national wealth is relative in nature. With socialism, all material goods are the property of the state, the farm cooperatives or the personal property of the members of the society. They belong to all the people and are used in their interests. Here, the concept of national wealth acquires its true dimensions.

Part of the national wealth is consumed every year and has to be replaced at the cost of the overall social product created during that period. But this process is repeated on an enlarged scale. In addition to replacing those means of production that have been consumed, other, new ones are created, thus increasing the national wealth. The greater these are, the greater the socialist society's material potential for development will be.

11,466

CSO: 3010/566

## NEED TO COMPLY WITH DELIVERY SCHEDULES NOTED

Havana BOHEMIA in Spanish 27 Nov 81 p 35

[Article by Juan Guillermo Martinez (ATM MAGAZINE No 5)]

[Text] The Center Truck Enterprise has filed an arbitration complaint because of the refusal of the Villa Clara Territorial Enterprise for the Supply of Chemical Products to sign the supply contract in question inasmuch as the latter did not accept the schedule to resupply the former with new tires and batteries, pointing out that the delivery periods are the quarterly ones that seem to be accepted in Model 710, which is applicable.

As a basis for its claim, the plaintiff enterprise presented the General Methodology for the Regulation of Means of Production Inventories (CEATM [State Committee for Material and Technical Supply]) and Model C-3, signed by an official of the CEATM Territorial Delegation, in which the schedule for resupplying new batteries and tires, among other matters, is specified.

As for the defendant enterprise, it at no time criticized the authenticity of the documents presented by the plaintiff.

The presiding arbitrator found in favor of the complaint filed by the Center Truck Enterprise and the supplier has to accept the schedule for resupplying that has been approved in accordance with the General Methodology for the Regulation of Means of Production Inventories prescribed by the CEATM.

11,466

CSO: 3010/566

**ECONOMIC TERM ECONOMIC EFFICIENCY EXPLAINED**

Havana BOHEMIA in Spanish 4 Dec 81 p 33

[Article by Alexis Codina]

[Text] It refers to the fact that in a given economic activity satisfactory results have been obtained by making appropriate use of production resources (machinery, raw materials, labor force). Raising economic efficiency or the effectiveness of production means "producing more with higher quality and at lower cost."

At enterprise level an increase in economic efficiency is expressed in terms of an increase in productivity of the labor force, in profit volume, in earning power, a reduction in the per-peso cost of production, in increased quality of products, etc. At the level of the national economy, this materializes as an increase in national income, that is, in the new value or product created by the society. Therefore, in a socialist economy an increase in efficiency constitutes the fundamental way of better satisfying the needs of the population and of guaranteeing the economic development of the country.

The chief factors that favor an increase in efficiency at the level of the socialist enterprise are: conservation of materials and raw materials per finished product unit without affecting production quality, improvement of the organization of production and labor, increasing technological and labor discipline, better utilization of production capacities, etc. In addition to these factors, at the level of the national economy the following factors are influential: improvement of the country's economic structure with development of branches of industry like mechanics and chemistry (which favor technical improvement of production), an increase in the efficiency of investments, utilization in production of the achievements of science and technology, etc.

The Economic Management and Planning System, whose mechanisms are oriented toward "seeing to it that the same resources we have give us much more than they now do," plays a fundamental role in increasing efficiency. This is why in the "Economic and Social Features" for the 1981-1985 5-year period, approved at the Second Cuban Communist Party Congress, it is stated that "efficiency in social production can only be the result of the correct application of sensible directives and methods in the management of economic and administrative affairs."

11,466

CSO: 3010/567

## PINAR DEL RIO PROVINCE TOBACCO CROP REVIEWED

Havana BOHEMIA in Spanish 4 Dec 81 pp 28-31

[Article by Magda Martinez: "A Lot of Noise and a Lot of Leaves Too"]

[Text] Getting into the Game

Maybe we have been lucky enough to be the bearers of rain.

Because not only once or twice, but repeatedly, we have arrived in Pinar del Rio in the middle of a severe drought and, as if by magic, the basins of "Saint Peter" have poured water on us. Some of those familiar with the region agree and, faced with the urgent needs of their crops, often ask us to visit them.

On this occasion it was no game. We even lost a whole day. Nevertheless, under the persistent, drizzling rain of the highlands, we left for the town of Vinales. As we hugged the winding road, we were reminded of a friend who refers to the weather at this time of year as late spring.

More specifically, our objective was this: to draw up a balance sheet for the last season and compare previous ones with the current season, which has almost begun. Although, without wanting to throw in the towel too soon, the prolonged spring, almost bordering on winter, must be conspiring against preparation of the soil and getting started on the distribution of the hotbeds. However, we are not trying to alarm people in advance. Last year "Cyclone Jeanne" damaged countless raised beds with transplanted plants, yet Pinar del Rio had its best harvest.

#### In the Field

Although BOHEMIA on two occasions during the 1979-1980 tobacco season reported on the state of affairs in the region, it was necessary for us to return in pursuit of the final figures alluded to above.

It is of interest to clear up certain points that will work in favor of a better understanding of the situation.

We know about the blue mold disease, the havoc it wreaks and the disaster it results in. It has brought all the plantations to their knees and left the economy in this sector without respite. It is no secret that Cuban tobacco, with its well-deserved reputation, provides a considerable source of income.

But to be truthful, in the face of this demolishing blow, because of the mosaic disease, the crop is losing its prestige, if we are talking about quality.

The warning whistle has been blown on several occasions and we have tried to set a course in this direction. Setting aside misconceptions, it is worth noting that merely saying we have the best Havana cigars in the world is not enough. We have to really have such a leaf. And it is perhaps precisely in connection with this that people have been resting on their laurels and that some tasks have been languishing.

We have always heard it said that to survive one must persevere and when we say: "I am such and such," it must be backed up with a material guarantee. Hence, it was above all necessary to introduce a series of measures to eradicate the old habits.

Then came the recovery. In the first place, this involved redemption of the prestigious quality of the Cuban tobacco plantations.

The blue mold disease had devastated plantations throughout the country. If it had gone on a little longer, nothing would have been left standing. Timely plant-hygiene measures and systematic and consistent application of Ridomil — an effective pesticide — could not be hoped for.

Hotbed areas must consist of virgin, uncontaminated soil. But, naturally, this gets to be difficult from one year to the next. The application of methyl bromide to disinfect the plants keeps weeds from appearing. This fact permits the government to use production organizations' own areas because no danger exists.

If it is shifted to the economic domain — an essential point in terms of management — the saving in manpower is almost 100 percent. Weeding chores, which have such a great effect on the different agricultural sectors, are eliminated.

The remaining measures: wage reform, experience on some plantations in the domain of the finished product, have constituted the impetus for achieving an authentic recovery of the tobacco industry. Another measure is the maintenance of specialization, crop care and attention.

Tobacco is a delicate crop. It neither tolerates nor allows for bungling. Only men familiar with its cultivation should be chosen to work on the plantations.

Now it is very clear that, as a final requirement, there will be many details and, in fact, many hands will be needed. This vital aspect of the situation arises from an infinity of different sectors of the internal economy and of the students.

To the extent we are continuing to win battles in the scientific-technical domain and in specialized tasks, we may speak of yet another detail. Because when we pry into the question of production costs, we find that they are still far from producing profits. And in future this cannot escape the influence of changes.

## Pinar Played Hard

It has been said — and the figures show this — that the 1975-1976 harvest was the province's biggest with 51.4 million poles of tobacco. Several important things were proposed for the 1980-1981 season: elimination of the blue mold disease from its plantations and beating its earlier record. They succeeded in doing this by moving no more nor less than 54.8 million poles into their curing sheds. They also reported that it was the most efficient season of those preceding the current one. If we are dealing with quality, it was also better in comparison with other years.

Nor did they pooch-pooch the importance of saturating the soil and of an effective irrigation program, in quantity or in accordance with the needs of the moment.

Blond tobacco has risen in quality yield with almost as much as 60 percent of superior grade shade-grown production, no less efficient, managed to exceed 535 Quintals per caballeria [1 caballeria = 33.2 acres]. The Hermanos Saiz Tobacco Enterprise distinguished itself.

Shade-grown tobacco growers obtained 519 quintals and the town of San Luis distinguished itself when it amassed 6,128 quintals on only 11.1 caballerias.

It is estimated that the exportable yield of their leaves amounts to from about 20 to 70 percent of the total wrapper-leaf production. However, it can already be stated with certainty that over 20 small growers surpassed 30 percent in wrapper production.

### For the 1981-1982 Season

First of all, suffice it to say that the province will be facing a big program of 3,000 caballerias between both sectors responsible for production.

For a long time now, they have been hitting the nail on the head as regards production of inferior tobacco leaf. Pinar growers hope to plant no less than 1,000 caballerias with this crop.

Quality and early preparation of the soil is another ambitious goal. Certainly the rains incessantly demanded by some could compromise the plan. That is, these natural concerns sometimes elude our sphere of influence and we have to resort to the familiar refrain: "neither very... very, nor so... so," only what is fair and necessary. But... we still have to struggle to tame nature.

As they say, they have a long road to travel and, as they walk down it, they amass experiences, achievements and errors, and all these combined shape the means of their future strategy.

Thus the program proposes: to achieve high yields and quality, low costs, high labor productivity rates and a minimal available labor force.

To achieve these objectives, the following immediate commitments arise:

A study of the prospects for increasing planted areas and their production volumes and yields.

An analysis of varieties to be used and their regional distribution ( a job which, in my opinion, ought to occupy a relevant position).

Maximal exploitation of the tobacco-growing regions through doubling and crop rotation between harvests.

The use and improvement of soils.

The proposal to concentrate areas, roads, social production, electrification and the construction of water-supply sources for the territorial expansion of tobacco growing.

The overall plan for the system of cultivation machines, from preparation of the soil and hotbeds to harvesting.

There are others, equally influential, but the list would be interminable. Several headings have been dedicated to the matter of the labor force, from size, appropriate wages to increase productivity and incentive systems to those that recover through yields and those that are not permanent.

Starting now, the daily, systematic business will begin. Later, there will be checkups to see whether it is in keeping with what has been left behind.

#### San Luis Deserves It

We have not yet forgotten that "Red Sunday" in November 1980. Because we had an opportunity to share it with the men of this town.

I remember that from the beginning I was worried about one thing: Who would go to the tobacco plantations? Because letting them lapse into "factions," with the resulting disregard, worried me. Without beating about the bush, we spoke about it to our comrades in the municipal party, who accompanied us on the tour and our doubts were dispelled.

Fortunately, in San Luis we were able to do what "Saint Thomas" did, see in order to believe, and we verified the fact that they had taken the bull by the horns there. Tobacco enterprise workers themselves had assumed responsibility for a serious task: planting.

There, in San Luis, we visited the Santiago Rodriguez Enterprise. It would not be idle repetition to note that the bulk of wrapper leaf for export is located precisely there.

However, on that Sunday long ago I entered a credit and service cooperative, the Camilo Cienfuegos. In passing I note that they have a good reputation there, as regards yields.

In the pages of BOHEMIA I have spoken about their collective working style in San Luis and we predicted that it would produce wheat. Well, it has. Fulfilling its quota for the contest just concluded by 118 percent, this town was the best in the province. Then, what was a matter of personal esteem became an impressive reality.

Someone said to me: "It looks as though it's always 'Red Sunday' here." And he went back to his job, expressing the opinion that we must keep up the good work. And behold: San Luis won the 50,000-peso prize for best effort during the 1980-1981 harvest. Something to be proud of. That sum of money will be invested in the preliminary phases to the construction of a hotel.

The day of the award, during the official events at the end of the harvest, was a day for everyone and there we had the satisfaction of again being with the leading actors in the daily drama of heroic exploits: with Julian, the first secretary of the party in San Luis; with Ramoncito, the president of the Municipal People's Government; with Santaya, head of the Provincial PCC [Cuban Communist Party] Tobacco Department. In a word, with everyone.

On the way back, there was occasion to launch a new series of side-splitting jokes about our friend's "spring." Because the sky began acting up, but, fortunately, it amounted to nothing more than simple threats. For which we were thankful, because there is nothing very cheering about making a long trip over wet pavement with forecasts of cyclonic disturbances to begin in September, the month they are most likely to occur in.

11,466  
CSO: 3010/567

## LOWER SUGAR PRICES CAUSE HARDSHIPS IN COUNTRY

Havana BOHEMIA in Spanish 4 Dec 81 p 34

[Article by Raul Iazo Gonzalez: "Do More with Less"]

[Text] In his important speech to the Second CDR [Committees for the Defense of the Revolution] Congress, Fidel noted that the steady drop in the price of our chief export item, sugar, combined with the uncontrollable rising spiral of prices of raw material imports from the capitalist market, is forcing us to redouble our efforts to raise economic efficiency and increase conservation of raw materials.

"We will continue to fight," Fidel said, "we will continue to work, we will continue to improve ourselves, even though it may be in a modest way we will continue to improve ourselves, but no one can responsibly promise that we will have an easy road before us," and the supreme chief of the revolution later added: "We also have to continue expanding our effort for greater efficiency and, as difficult as the circumstances may be, continue applying the Economic Management and Planning System; we have to be more efficient and economize more than ever; a drop of oil, a gram of fertilizer, of steel, of cloth, of all the raw materials — we have to use them more efficiently."

This urgent appeal of Fidel's that we redouble our efforts to increase conservation of raw materials leads us to indulge in a few considerations of production costs which, not for lack of moving within the realm of concepts, are of minor, practical significance when defining the strategy and specific measures that lead to saving.

Sometimes production cost problems are approached from a purely accounting angle as if they were the exclusive domain of accountants, when in reality their roots extend throughout the entire production process and as far as the last job.

In connection with this, in the assemblies convoked to discuss enterprise plans it becomes necessary to devote increasing attention to this economic category and especially to discussion of all those measures that may favor reduction of production costs by providing incentives for worker initiatives.

In the course of discussion and elucidation of the content of this economic category, we must set aside the purely /monetarist/ [in boldface] approach, stripped of any social relation. Reduction of production costs and increasing conservation

do not in themselves constitute goals; rather they are aimed at discovering and making available to the socialist state a larger number of resources to be employed in the economic and social development of the country.

The more workers' economic awareness grows, the more obvious it is to them how important increasing labor productivity is in speeding up the economic and social development of the country.

However, it is advisable to explain that, despite the fact that increasing labor productivity constitutes the most important factor in bringing down production costs, not every increase in labor productivity automatically leads to a reduction of production costs.

This peculiarity in the behavior of both categories must be taken into account when defining objectives and specific measures to provide incentives for economizing, whenever possible trying to see to it that every increase in labor productivity involves a reduction in production costs in order to in this way complete what we may call the trilogy of effectiveness and efficiency: saving on jobs, on raw materials and materials and on energy. After all, the concept of efficiency and effectiveness is more and more expressed in **/doing more with less/** [in bold-face].

We may also define effectiveness as a relation between expenditures and results and, given the fact that in socialism the standard set for effectiveness goes hand in hand with meeting man's material and social needs, we may add that effectiveness means successfully meeting man's growing needs with the smallest possible expenditure of effort.

This concept of the effectiveness of labor comes to be identical with the one formulated by Marx to define the economic law of time, when he said that "every economy involves economy of time."

11,466  
CSO: 3010/567

## MINISTER DENIES COUNTRY BASE FOR INVASION

## No Irregularity

PA121220 Madrid EFE in Spanish 0211 GMT 12 Jan 82

[Text] Santo Domingo, 11 Jan (EFE)--The Dominican armed forces secretary has denied that his country served as departure point for a group of armed Haitians who, according to the international reports, seized Tortuga Island in order to invade Haiti.

According to the army secretary, Lt Gen Mario Imbert McGregor, "Nobody has departed from here. I don't know where that notion came from." According to him, the navy is watching the entire coast and no irregularity has been reported.

Meanwhile, according to the government house press office, no reports have been received on the alleged invasion of Tortuga Island, near Haiti's northern coast, off the cities of Cap-Haitien and Port-de-Paix, by Haitian exiles who set out from the Dominican Republic.

According to Bernard Sansaricq, a Haitian who owns a gas station in Miami, and who allegedly heads the invading force, "We are in full control of Tortuga Island."

The reports on the alleged occupation of Tortuga to invade Haiti originated in Ockbur Bay, in Turks and Caicos Islands, in the Bahamas.

## Vigilance Along NW Coast

FL112017 Bridgetown CANA in English 2006 GMT 11 Jan 82

[Text] Santo Domingo, Dominican Republic, 11 Jan (CANA-REUTER)--The Dominican Republic stepped up naval and air patrols along its northwestern coast today to prevent Haitian exiles from using its territory to invade neighbouring Haiti. The armed forces secretary, Lieutenant-General Mario Imbert McGregor, said vigilance had been intensified following reports that a band of Haitian exiles led by Bernard Sansaricq planned to invade Haiti from outlying islands. The Dominican Republic and Haiti share the Caribbean Island of Hispaniola and a 270 km (160 mile) border. General Imbert McGregor said patrols had reported no unusual movement by exile groups. The border areas were reported quiet. About 19,000 Haitians brought in each year to help gather the Dominican Republic's sugar harvest were working normally, immigration officials said.

CSO: 3010/636

## ANEP ACCUSES SANDINISTS OF INTERNATIONAL LAW VIOLATION

San Salvador EL MUNDO in Spanish 27 Nov 81 p 3

[Text] "The National Association for Private Enterprise calls attention to the comparison in Nicaragua between the case of the business leaders jailed and sentenced supposedly to only 7 months in prison, and the several thousand political prisoners, as well as the hundreds of persons given asylum in the embassies of Latin American countries, who after 2 years of confinement have not received safe conduct from the Sandinist government so they can leave Nicaragua for the countries that have granted them political asylum," says ANEP in a communique.

ANEP adds in this communique, "The Sandinists permit themselves the luxury of flagrantly violating this noble principle of international law, which is political asylum, and which is respected and strictly complied with by all civilized nations of democratic spirit.

"The government that replaced the despotism of the Somoza dynasty has become the champion violator of human rights that it repeatedly said it would defend and restore. The Sandinists spread the word that their revolution was 'generous' because they had not sent before the firing squad those who cooperated with Somoza. It is likely that they did not execute them because they were fed up with the blood they had spilled fighting against those who wanted to prevent the enthronement of communism in this country.

"However, the Sandinist jails are crammed with thousands of politically persecuted individuals who are denied even the right to a trial, to settle their innocence or guilt. For these thousands of Nicaraguans, Sandinist justice is a joke.

"What worries the private enterprise sectors of countries like El Salvador and many other nations that have protested the abuse of business leaders in Nicaragua, is that the initial 7 months of imprisonment to which they have been sentenced are being extended indefinitely, as has been done precisely with the above mentioned political prisoners and the refugees in foreign embassies, who for 28 months have been in virtual imprisonment since they are not allowed to leave the country or to travel freely.

"With the jailing of business leaders (Enrique Dreyfus, Gilberto Cuadra and Benjamin Lanzas) fear has increased, since as representatives and symbols of

business and individual freedom, they are becoming an obstacle and a threat to the Sandinist plans to direct Nicaragua toward the orbit of Cuba and the Soviet Union to introduce a Marxist-Leninist system.

"For this reason most of the Nicaraguan people have already expressed their discouragement and disappointment over the achievements of the Sandinist revolution, according to a serious and formal opinion poll carried out among the various social sectors of the population.

"The Nicaraguans are right to suffer the most shameful frustration on seeing the dawn of freedom and justice that cost them so much blood turned into a dark night of slavery and disgrace."

9545

CSO: 3010/572

## FAR LEADER MONSANTO INTERVIEWED BY CHILEAN PUBLICATION

Havana BOHEMIA in Spanish 27 Nov 81 pp 61-65

[Interview with Pablo Monsanto, commander-in-chief of the FAR by PUNTO FINAL INTERNACIONAL, a Chilean publication published in Mexico: "Somewhere in Guatemala with the Rebel Armed Forces"; date and place not given]

[Text] "The Guatemalan people are ready to fight for power and take it. That is a fact that is aggravating the political crisis in Guatemala." This description of the present situation in that Central American country belongs to the commander-in-chief of the Rebel Armed Forces (FAR), Pablo Monsanto. The FAR, together with the Guerrilla Army of the Poor (EGP), the Organization of the People in Arms (ORPA), and the Guatemalan Labor Party (PGT), constitute the politico-military vanguard of the revolutionary struggle which the Guatemalan people are engaged in.

Commander Pablo Monsanto speaks with authority in analyzing the people's revolutionary war being waged at present throughout Guatemala as he joined the guerrilla movement at 16 years of age and is now one of the most experienced combatants fighting in the guerrilla bands of his country.

PUNTO FINAL interviewed Commander Pablo Monsanto somewhere in Guatemala in an effort to publish little-known aspects of the situation.

[Question] Commander Monsanto, what do the Rebel Armed Forces represent in the Guatemalan revolutionary situation? What are the objectives of the FAR?

[Answer] First, we must say that the Rebel Armed Forces emerged as an organization composed of various revolutionary groups in 1963, that is, the FAR from the beginning was a unified revolutionary front which many combatants joined for the purpose of initiating armed struggle.

Naturally, the Rebel Armed Forces, after 18 years, has refined its experiences and assimilated knowledge not only from our country but also from international experience.

At present, we have a much more advanced concept of armed struggle, one that is more attuned to Guatemala. Naturally, this gives our organization and its role in the revolutionary movement a clearer and more solid perspective. Our organization must play one of the most important roles within that context.

The objectives of the FAR are clear: our objective is to take power in order to carry out a revolution. This revolution will have a preliminary stage that will lead to socialism; it will be a democratic and popular revolution which will encompass the broadest possible range of sectors of our exploited and oppressed people. It will have as an objective the independence of the country, that is, it will break away from the dependence it has suffered from under imperialist domination and thus be able to form a government that will initiate a whole series of revolutionary measures with the object of escaping from the backwardness and underdevelopment we find ourselves in. Naturally, our objective as revolutionaries is the construction of socialism.

[Question] Commander, can you describe the present political and military situation in Guatemala?

[Answer] There is a political crisis in this country. This crisis is chiefly manifested by the fact that the political forces that have traditionally governed and have represented the interests of the dominant classes and the imperialists have completely lost the ability to continue governing as they have in the past.

Now the peasants, workers, intellectuals, and students, that is the exploited and oppressed people, do not believe in the political parties; they no longer believe in elections. Our people are ready to fight for power and to take it. This is one of the factors that is aggravating the political crisis.

Another of the elements of the crisis is that among the reactionaries themselves, in other words within the same parties that represent the interests of the dominant classes, there are great divisions. There is a division between the agro-exporting bourgeoisie and the new bourgeois sectors that have emerged in the last 15 years.

Because of the support the imperialists have given to the capitalists as part of their neo-colonial policy, there is a struggle between the agro-exporters and these new bourgeois sectors. This is reflected in the resistance of the former to the growth of the latter in alliance with the imperialists for control of the government.

Recently, a new element has been added to this social panorama which has emerged within the elite group of the army: the officer caste, the generals who, because of the power they have wielded over two decades, or a decade and a half, have become rich. They are now part of the dominant classes and through the government they also control the other sectors to a certain extent, and they repress them when they do not agree with the measures this military clique takes for its own benefit.

In general, everyone agrees on one thing: on the need they and the imperialists have to destroy the revolutionary movement militarily.

The situation of the reactionary army, the pro-imperialist army, is now difficult, especially this year. The growth of the guerrillas and the spread of the guerrilla war, especially in the west, northwest, and the north and south of

the country, has disorganized enemy forces. The defeats the guerrilla movement has administered to the enemy military forces have also caused heavy casualties to the army and caused demoralization among the troops.

The revolutionary guerrilla movement has defeated the elite forces of the revolutionary troops and has now demoralized them. The spread of the guerrilla war has been such that the forces available to the government at present are incapable of combatting the guerillas on every front.

At this stage one of the primary objectives of the guerrilla movement on a national scale is being reached: disorganization of the armed forces, attrition, and the demoralization of the enemy army. The guerrilla movement is preparing for a new phase in which it will be able to occupy some positions and annihilate larger forces of the army of the reactionaries.

Naturally, the reactionaries, the government and the imperialists, know this very well. This is the reason why the imperialists, through the Reagan administration, are providing arms, economic assistance, and military aid of every kind for the purpose of not only controlling and preventing the growth of the guerrilla movement, but with the objective of annihilating it. But naturally, this will take some time, and that time is being used by the guerrilla movement to make a qualitative jump and move on to a new phase, the annihilation of the enemy forces and the liberation of some territory.

[Question] What has the response of the Guatemalan civilian population been to the spread of the guerrilla war? Have they joined in the revolutionary struggle?

[Answer] One of the things we forgot to mention in speaking of the political situation is the growth not only of the guerrilla movement but the revolutionary movement in general. Not only has the guerrilla movement expressed itself in different forms of struggle, but the mass movement has done so too. To the strikes, work stoppages, and demonstrations can be added the participation of the organized masses in paramilitary tasks against the government and its repressive forces.

In view of this situation, the government has discovered and implemented repression on a large scale as the only solution open to it. It is directed against the people throughout the country and it is marked by the extermination of entire villages, the indiscriminate massacre of all the villages in the guerrilla areas, which have also been joining forces with the masses. They are more and more convinced that there is no other way of seizing power and solving their problems but to join the revolutionary and popular guerrilla movement.

The people now have a revolutionary consciousness. We have achieved great progress after years of organizing work throughout the country by the four revolutionary organizations. The incorporation of huge segments of the population has been achieved--both Indians and Ladinos--to the extent that this state of consciousness within the masses causes enemy repression to stimulate--if we can put it that way--the population to join the armed struggle so that they can eliminate the enemy that is repressing them and has maintained the system of exploitation and repression.

[Question] We speak, Commander, of the four politico-military organizations that are carrying out the revolution in Guatemala, that is, the Guerrilla Army of the Poor (EGP), the Organization of the People in Arms (ORPA), the Guatemalan Labor Party (PGT), and the Rebel Armed Forces (FAR). What progress has been made toward unity?

[Answer] By means of an effort of over a year and a half, we reached a series of agreements on unity of which the most important were the integration of a single high command, the adoption of common tactics, and the formation of a political front--both on a national level and internationally--for the purpose of unifying all the democratic and revolutionary forces of our people to fight for a democratic, revolutionary, and popular government.

These agreements were latent, but it is normal for a unifying effort not to reach necessary levels in a relative short time. We think that some subjective conditions still have to reach maturity--chiefly, with regard to the level of consciousness--within the same organizations, but that the agreements on unity that exist among the four organizations are going to become a reality.

In addition, we are convinced that this unifying movement cannot regress, there is no step backward in the unifying process. It is now a reality and, want it or not, unity will be achieved on the basis of the principles of the revolutionary agreements.

We think with a single mind and purpose that it is a question of time, of maturity of consciousness on the part of all the revolutionary organizations, concerning the need for unity in order to be able to attain the objectives and purposes of the Guatemalan people.

[Question] In what way does the international situation influence the Guatemalan revolution?

[Answer] We have always been convinced that the revolution in Guatemala cannot remain apart from the struggle of the nations for their freedom throughout the world, from the struggle against the imperialists. The international situation, which is at present favorable to the nations involved in revolutionary and democratic movements, shows that the imperialists have been constantly weakening, have been losing ground.

The latest crisis of the imperialists, following the defeat administered by the heroic Vietnamese people, placed them in a poor position vis-a-vis the forces of socialism, the progressive and democratic forces of the world, which are no longer willing for the imperialists to continue to wield the same policies of domination that they have traditionally had, especially now that the Reagan administration seeks to revive them.

Although Reagan started his administration by employing a policy of threats, principally against Cuba, Nicaragua, and all the peoples of Central America, the Caribbean, and the Middle East, that policy no longer elicits a positive response as in the past, not even among his principal allies. That acceptance of U.S. policy no longer exists in Europe, and it must now take the situation of the peoples, the national liberation movements, and the socialist camp into account.

In that sense we see that the Reagan policy was further weakened by the victory of Mitterrand in France, which now will undoubtedly bring into question that policy not only for Europe but in other regions of the world, among which Central America will undoubtedly be included, where a revolutionary situation now exists.

The victory of the Nicaraguan revolution and the coming victory of the revolutionary movement in El Salvador are factors that have stimulated the struggle of our people. To the extent that the Nicaraguan revolution is consolidated and the Salvadoran revolution progresses, to that extent the stimulus for our people will be greater. In the same way, we feel that to the extent that our own revolutionary movement progresses, it will also serve as a stimulus and support for the peoples of Nicaragua, El Salvador, and the Caribbean, and undoubtedly for the people of the world.

[Question] Accepting as a necessity, Commander, the expression of solidarity by the democratic sectors of the world toward the Guatemalan revolution, how would this solidarity be manifested specifically?

[Answer] The present policies of the imperialists not only hurt the revolutionary movements but also tend to hurt the most progressive democratic sectors of the world. To the extent that those policies are weakened, the revolutionary and democratic movements will also have more opportunities to develop, in their respective countries, the policies that will help take our peoples out of the situation they find themselves in.

Therefore, we think that specifically the democratic and progressive movement throughout the world can oppose the policy of aggression, the policy of cold war that the imperialists have now revived and are trying to apply all over the world, principally against the socialist countries, against Cuba, in preparing an invasion against the Cuban people, and against the Nicaraguan people.

We believe that if the entire democratic movement, the entire progressive movement of the world, opposes this aggressive policy of the imperialists, it would be a great contribution for the liberation movement of our people.

9015

CSO: 3010/588

## BRIEFS

COTTON HARVEST PARALYZED--This year's harvest on the cotton plantations is paralyzed because the cottonseed oil processing plants have suspended purchases of cottonseed, their raw material, it was learned today. It was added that the problem this creates could present a difficult situation for the nation's economy since 100,000 agricultural workers on the cotton plantations are affected by the paralysis. Because of lack of work, the farm workers who participate in the harvesting of cotton fibre and seeds each year are about to return to their homes in the Guatemalan highlands, where jobs are also scarce, it was learned. It was also learned that at the cotton gins along the south coast there are mountains of cottonseed, which are in danger of spoiling because of the situation. [Text] [Guatemala EL IMPARCIAL in Spanish 12 Dec 81 p 1] 9015

CSO: 3010/588

## SUGARCANE HARVEST DELAY BRINGS EXPORTS TO HALT

San Pedro Sula LA PRENSA in Spanish 8 Dec 81 p 14

[Text] Tegucigalpa--The economic crisis in Honduras has worsened with the government's recognition that sugar exports are paralyzed because of the delay in the start of the sugarcane harvest.

The labor and weather problems that have arisen in some of the sugarmills have begun to be felt to the extent that the start of the sugarcane harvest, expected to take place the first of November, was delayed for two weeks.

At that time the lack of financing and the fall in the price of sugar in international markets were also blamed. Recently, the government decided to open a line of credit of over 30 million lempiras for producers.

The crisis in the sugarmills is worsening because a deficit of 13 million lempiras has been accumulating over several years.

Officials of the provisional government connected with the Office of Foreign Trade admitted that sugar exports have been paralyzed for several weeks as a consequence of the above-mentioned factors.

According to official forecasts, Honduras expects to export over 94,000 tons of sugar in 1982, although producers estimate that this figure will be surpassed by 10 million tons.

Although Honduras has missed collecting several thousand lempiras in foreign exchange because of the paralysis in sugar exports, producers and government officials agree that "this is the best thing that could have happened because the international market price has dropped to its lowest level, 22 cents a pound."

At the beginning of this week the price began to rise to 26 cents a pound. Exports could be resumed toward the end of January.

The vice minister of economy for industrial affairs, Orlando Funez Cruz, said "we are selling the same amount of sugar on the domestic market; what has happened is that there is little refined sugar being supplied. The retailers are taking advantage of this situation by mixing it with brown sugar."

This official is confident that the temporary shortage will be overcome at the end of December since the delay in the sugarcane harvest was due to the rains and the labor problems in some of the sugarmills.

Vice minister Funez has instructed the Office of Domestic Trade to investigate through its investigators the reasons for the excessive speculation by the professional brokers in the public markets.

9015

CSO: 3010/588

END

**END OF**

**FICHE**

**DATE FILMED**

Feb 1, 1982